

Keene Housing Authority's

Spectrum

Moving to Work Annual Report 2006



Stone Arch Village Family Housing
Constructed June 2006



Table of Contents

Section 1: Executive Summary.....	2
Section 2: Introduction.....	3
Section 3: MTW Activities.....	4
Section 4: Strategic Plan.....	11
Section 5: Major Accomplishments.....	14
Section 6: Resident Survey Results.....	16
Section 7: Households Served.....	22
Section 8: Occupancy Policies.....	26
Section 9: Vacancy Rates.....	29
Section 10: Rent Collections.....	30
Section 11: Work Orders.....	30
Section 12: Inspections.....	32
Section 13: Changes in Housing Stock.....	33
Section 14: Sources and Amounts of Funding.....	33
Section 15: Capital Planning.....	33
Section 16: Security.....	35
Section 17: Leasing Information.....	37
Section 18: Inspections Strategy.....	38
Section 19: Resident Programs.....	39
Attachments: Year End Financials	

Executive Summary**Moving to Work Demonstration Annual Report
Fiscal Year 2006**

The Keene Housing Authority is privileged to a part of this demonstration program that allows us to tailor our housing programs to fit the needs of Keene and the Monadnock Region. The flexibility allowed under this program allows us to make sure that:

- Provides choices for affordable housing for the neediest in our community
- Removes disincentives from those seeking employment
- Provides stability in housing costs for those of static income
- Provides extensive case management and coordination of services to address the needs of our residents and program participants
- Maximizes the utilization of the increasingly scarce financial resources available to non-profit housing providers in this era of cuts to domestic discretionary spending.

This report covers the results of our SPECTRUM Housing Program for 2006. The Keene program continues to serve our residents and Section 8 participants well. The major problem that we deal with is attempting to deal with the reduced income realized from Public Housing operating fund and Capital Fund cuts. The Flexibility of the KHA MTW program allows us to serve more low income families and elderly than would be possible without the MTW contract.

There are challenges ahead, but the MTW program allows us to deal with this issues that are specific to Keene and the people we serve. We are proud of this program, and as you will see from the attached report, there is considerable success in allowing our residents to make strides towards their goal of self reliance. As usual, this program was made possible by a talented and dedicated hard-working staff, who constantly seeks to improve and better the lives of our residents and subsidy recipients.

Sincerely,

P. Curtis Hiebert, CEO

Introduction

Keene Housing Authority Mission

The mission of the Keene Housing Authority is, directly or in collaboration with others, to provide and/or advocate for:

- *Decent, safe and affordable housing for individuals, families, elderly and disabled persons of low to moderate income within the Monadnock region;*

And; to provide and/or advocate for

- *Any and all services and programs that will assist in improving the social and economic welfare of such individuals and families.*

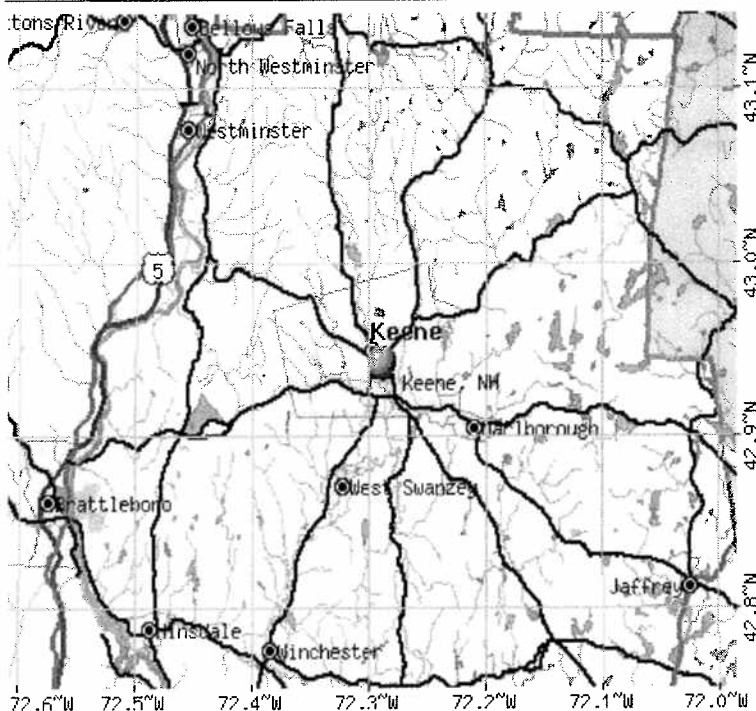
The Keene Housing Authority owns and manages 492 units of housing including Public Housing (226), Section 8 Project Based (138), Tax Credit (113), conventional (15) and commercial properties. The Keene Housing Authority also administers a Section 8 Voucher program that includes Mainstream HCV's, 9 project based certificates and Moving To Work Housing Assistance Coupons (HAC's). The Keene Housing Authority is contracted to administer the Community Development Block Grant program and manages Cheshire Homes and Cheshire Housing Trust, two other local non-profit housing agencies (with the addition of their units, the total KHA manages is close to 600 units).

There are many service programs provided directly to the residents such as the Resident Self-Reliance Program, Congregate Housing Services and the Building Bridges Youth program. The Keene Housing Authority has also initiated collaborative projects with local agencies such as the Shelter HAC and In from the Cold for homeless people, Dental Health Works, First Start, Heading for Home Housing Coalition, Pilot Health and the Family Planning Collaborative.

The Keene Housing Authority has always been invested in creating dynamic programs for and with its residents. In 1997, the Keene Housing Authority was selected in a competitive process, as one in 20 housing authorities nationwide to participate in HUD's Moving to Work (MTW) Demonstration Program. The primary component of the MTW demonstration program was the development of the Spectrum Program, focusing on resident self-reliance for extremely low to moderately low income families allowing the KHA to move beyond the traditional "bricks and mortar" of housing programs.

In 1999, The Keene Housing Authority began implementation of its Spectrum Moving to Work Demonstration program. This program produced major rent policy changes and a significant expansion of services for all Public Housing and Section 8 Voucher families. The MTW Contract has been extended until 2010 providing it an additional 4 years of operation. The CEO, Curt Hiebert, has been working with other Moving to Work agencies to negotiate a 10 year extension of the program. There is also separate initiatives being pursued to open the program to more Housing Authorities across the country. KHA has been able to serve more households in Keene than it originally served before implementing the Spectrum MTW program. KHA adopted its policies to meet the local need for decent, safe and affordable housing in the Keene community.

Vacancy rates for rental units in Keene are 2.57%, lower than Cheshire County and significantly lower than the United States.



Keene, New Hampshire is located in Cheshire County in the southwest corner of the state and is the busy hub for several local and interstate roads and highways. At an elevation of 486 feet above sea level, it covers a land area of 37.3 square miles. Population in the year 2000 was 22,563. Industries providing employment include educational, health and social services (24%), retail trade (16.3%) and manufacturing (15.9%). The nearest cities with large populations include Nashua (57 miles), Boston (93 miles) and New York (191 miles). In addition to typical municipal services provided by the city the area is served by the Cheshire Medical Center, Keene State College,

Antioch New England Graduate School, Franklin Pierce College and the Keene Public Library and the Dillant Hopkins Airport. Keene is also well known in the region for the quality of services programs available to families with low incomes.

MTW Activities

The primary goals of Keene's Spectrum MTW Demonstration program include:

- Increase share of residents making progress toward self-sufficiency
- Achieve greater income mix
- Reduce number of residents moving out of assisted housing
- Increase rent revenues from tenants
- Enhance KHA's capacity to plan and deliver effective programs
- Increase resident satisfaction with their housing and with KHA programs

Keene adopted several program strategies in order to achieve the goals of the MTW demonstration program. These strategies include:

- **Public Housing Step Rents and Housing Assistance Coupon subsidies** that are based on a flat rate determined by bedroom size and reduce gradually over a 5 year period.
- Required participation for all families receiving Public Housing and Section 8 Housing Assistance Coupons in the **Resident Self-Reliance Program**.
- **Safety Net** hardship policy to provide temporary relief for people who experience an increase in rent burden due to a qualified decrease in income or increase in expenses.
- **Reorganization** of staff roles and job descriptions to accommodate the shifting paradigm of how we serve participants.

These strategies have proved successful in helping families move to work while continuing to offer affordable housing in an efficient and cost effective manner. This report reviews the progress made toward all MTW goals and activities.

Public Housing Step Rents

Elderly and disabled households living in Public Housing may choose to have their rent calculated using the Stepped Rent or traditional income based method. All households that are non-elderly or disabled are required to participate in the Stepped Rent program.

Households electing the income based method of rent calculation will not pay higher than the current Fair Market Rent for their bedroom size. The minimum rent for both rent calculation methods is \$125. If families are experiencing a hardship paying this rent they may apply for a rent reduction in the Safety Net Program.

Families in Public Housing are charged a flat rate based on the bedroom size and number of years they have lived in a unit. The rent is gradually increased until a family reaches the 3rd and final step. The 2nd Step and 3rd Step Rents are based on a percentage of the Fair Market Rents. The 2nd step is based on 45% of the FMR and the 3rd step is based on 65% of the FMR. If a family's income increases, their rent will not increase hopefully encouraging them to increase their income, develop savings and reduce fraud and paperwork associated with traditional income based rent calculation methods. If a family's income decreases, they may apply under our hardship policy for assistance through the Safety Net program.

The Public Housing rents are currently based on the Fair Market Rents that went into effect on October 1, 2005. They were not adjusted in 2006 to reflect the new FMR's that went into effect on 10/1/06 to keep the units competitive with other affordable housing units offered by the Keene Housing Authority.

The table below illustrates rent figures in the Public Housing Step Rent system effective January 1, 2006:

1st Step (1 st year)	2 nd Step (2 nd year)	3 rd Step (4 th year)	Bedroom Size
Greater of \$125, 30% of income or the Welfare rent	\$262	\$379	Efficiency
Greater of \$125, 30% of income or the Welfare rent	\$279	\$404	1 Bedroom
Greater of \$125, 30% of income or the Welfare rent	\$351	\$507	2 Bedroom
Greater of \$125, 30% of income or the Welfare rent	\$423	\$611	3 Bedroom
Greater of \$125, 30% of income or the Welfare rent	\$515	\$744	4 Bedroom

Housing Assistance Coupon Program (HAC) Stepped Subsidies

The Step Subsidy method works similar to the Public Housing Step Rent method. As in Public Housing, elderly and disabled households are allowed to choose the subsidy calculation. All families are required to participate in the Stepped Subsidy program. The two main differences include a subsidy that is reduced over a five year period and the first year's rent is based on 20% of gross income rather than 30% of adjusted gross income.

The table below illustrates how subsidy is determined in the HAC program:

Housing Assistance Coupon Program Subsidies Effective 10/1/2006

1st Step (1st year)	2nd Step (2nd year)	3rd Step (4th year)	Bedroom Size
Lower of Welfare rent or VPS - 20% of Gross Income	\$400	\$250	1 Bedroom
Lower of Welfare rent or VPS - 20% of Gross Income	\$500	\$320	2 Bedroom
Lower of Welfare rent or VPS - 20% of Gross Income	\$600	\$380	3 Bedroom

The HAC was created as part of the MTW demonstration and is designed to be an alternative to the traditional Section 8 Voucher. Applicants are eligible up to 80% of the Median Area Income as opposed to 50% of the Median Area Income in the typical Section 8 Voucher program. In addition, Keene also administers 50 Mainstream Section 8 Vouchers as noted in the chart below.

Total MTW allocation for MTW Tenant Based Assistance program = 358	
<u>Total utilized by program type:</u>	
<ul style="list-style-type: none"> • MTW HAC's: 239 • MTW HCV's: 153 	
Total MTW utilized: 392	
Keene Housing Authority was able to utilize 34 extra vouchers due to the flexibility of MTW and subsidy calculation methods.	
Mainstream HCV's = 50 (not part of MTW)	
Keene Housing Authority is contracted by New Hampshire Housing Finance Authority to administer the following programs and allocations:	
<ul style="list-style-type: none"> • Hinsdale Project Based Certificates: 6 • Welfare to Work Vouchers – program was 100% phased out in 2006 	
TOTAL VOUCHERS UTILIZED	

There is an increase in HCV's because we have a preference for Keene Housing Authority properties and the tenants are issued HCV's rather than HAC's. We will be changing our practice and issuing HAC's to all KHA owned and managed properties. There are currently 86 HCV's that are grandfathered in from before the MTW program began. These participants continue to hold an original contract with their landlord. Keene Housing Authority decided it was prudent to honor existing HCV participant's contracts with their landlords at the time of implementing the HAC program rather than force them to sign new contracts. However, HCV participants have the option of converting to a HAC anytime. As MTW HCV participants move or terminate their assistance, these vouchers are converted to a HAC. Welfare to Work vouchers were absorbed by the HAC program in 2006 (with the exception of one remaining voucher). The HAC program restricts outgoing portability to Mainstreams and those who have good cause (financial, education or health reasons). The HAC program still absorbs incoming ports at this time.

There are several other significant differences between the HAC program and a traditional HCV as listed below:

- Landlords have the option of self-certifying their apartments meet HQS standards
- Subsidy payments are paid directly to the tenants
- Landlords are only required to give a 30 day notice of rent increase
- Rent reasonableness is not used in the HAC program

40% of Income Exemption

This exemption applies only to families whose subsidies are calculated using the income based method. For families receiving Housing Assistance Coupon Program assistance for the first time, and where the gross rent of the rental unit exceeds the applicable payment standard for the family, the KHA expresses that the family share (tenant rent plus utilities) does not exceed 40 percent of monthly-adjusted income.

Families are encouraged not to pay more than 40% of their adjusted monthly income towards rent. This is explained in detail at the Issuance of the Housing Assistance Coupon. In addition, families receive the document "Can I Afford the Unit I have Found?" with a detailed explanation of how the numbers were calculated.

If the family wishes to rent an apartment that is expensive enough that their share is above 40% of monthly-adjusted income, KHA considers following circumstances when initially approving a lease:

- Age of the Head of Household
- Disability
- Currently in place
- Length of time family has lived at that address
- The Actual dollar amount the family share exceeds 40% of their adjusted monthly income
- Location—near work or medical services
- Transportation
- The Amount of Assets a family has at disposal
- Employment
- Contract Rent—does it include utilities?
- Fuel Assistance and or Electrical Assistance
- Food Stamps and or Community Kitchen

Because of the number of possible different circumstances in which a determination will have to be made, the KHA makes determinations on a case by case basis.

The family must fill out and sign an Income and Expense Report with the program manager detailing their ability to afford the apartment. The Income and Expense Form is updated and reviewed at each examination.

Educating Participants on HQS

KHA staff work on a regular basis to educate program participants about Housing Quality Standards providing them with increased ownership over the leasing process while making sure they are not living in a sub standard apartment. The education process starts with an intensive orientation before a HAC is issued. The participant's responsibility for ensuring that their rental unit meets the HQS is explained during this process. During the issuance of Housing Assistance Coupons, a KHA staff member provides a detailed explanation of Housing Quality Standards (HQS) utilizing the following materials:

- A Good Place to Live
- Inspection Form for the Housing Choice Voucher Program

- Protect Your Family from Lead in Your Home
- KHA checklist

Staff have regular contact with program participants and inquire if their apartments still meet HQS. Interim inspections are conducted by KHA if requested by the participant, landlord or KHA. During quarterly Resident Self-reliance program meetings, families complete update family information including information on HQS in their units. During the Annual Recertification process, participants are asked about the HQS and a brief review of HQS is conducted. At least 5% of all units self-certified by the landlord are selected for a quality control inspection every year.

Housing Assistance Payments to the Tenant

The Keene Housing Authority (KHA) provides the family with a rental subsidy to assist them in paying their monthly rent in full. The subsidy is directly deposited into the family's bank account on the 1st of the month. The family is then responsible for paying their rent in full and on time.

The payment process is explained to landlords in the Landlord Handbook and upon entry into the program, landlords are sent letters detailing the participant's obligation for paying their rent. In addition, the letter states that if the tenant does not pay the contract rent in full by the fifth of month, then the landlord should contact KHA (name and phone number is given) and KHA will contact the tenant about payment. If a tenant is late with rent payments, landlords may request that the subsidy be paid directly to the landlord. KHA anticipates that no more than 10% of the participants will fall into this category.

Currently, 23% of the families have their rental subsidy paid to the landlord, due to late payment of rent. In these cases, it was determined necessary to pay the subsidy to the landlord due to issues such as misuse of funds, late payment of rent or the need to honor existing contract of Welfare to Work transfers. Initially, some families do not have bank accounts and are required to come into the office to pick up their checks on the first of the month. The option of providing the rental assistance subsidy to the participant is also given to the elderly and individuals with disabilities. Nine percent of this group has chosen the option of receiving the subsidy directly.

Resident Self-Reliance Program (RSR)

All families participating in the Stepped Rent or Subsidy programs are required to participate in the RSR program. An expansion of KHA's former Family Self-Sufficiency program, RSR provides service coordination and case management to help families become economically self-reliant recognizing that self-sufficiency will vary widely based on individual participant's abilities. Every family in the program is assigned a Resident Service Coordinator who is responsible for coaching the participant's progress.

The RSR program defines competencies for self sufficiency. These competencies outline the skills necessary to achieve economic self-sufficiency. Each family's needs are identified during an initial assessment. The competencies they must work on are identified by the RSC and participant working together. In order to be exempt from required activities, participants must demonstrate they have developed the skills associated with each competency. Competency categories include the core skill groups of financial management, employment, education and family planning in addition to the self-development groups of interpersonal skills, wellness, healthy relationships and household management. The program is uniquely tailored to the family's skills, resources and goals. Each family works to achieve competencies specific to their circumstances since the abilities and backgrounds of participants are diverse and one plan would not be suitable for all families.

There are 4 main program requirements participants must engage in to remain active in the Spectrum program and maintain their housing assistance:

- Develop a financial plan
- Participate in quarterly goal setting meetings
- Participate in required skill development activities
- Make reasonable progress toward ISTP goals

Develop a Financial Plan

Each participant receives extensive counseling in financial management from the moment they lease-up in the program. They are taught how to track their income and expenses, develop a financial plan, calculate their net worth, read and interpret their credit score and manage debt.

Quarterly Goal Meetings

Participants meet on a quarterly basis to review progress on their goals in groups of up to 20 people. The intention of these meetings is to provide an opportunity for program participants to network, problem-solve, share successful strategies and learn about new resources, programs and financial management and employment strategies. Topics may include tax filing, saving for a financial goals etc. At the end of every meeting, participants update their Individual Service and Training Plan (ISTP's). An ISTP outlines the family's goals and the steps and resources required to meet them.

Starting in 2006, Quarterly goal meetings were organized into Tracks to offer more variety of topics for a participant base with a variety of skills and abilities. There are two Tracks, Employment and Financial, providing the participant with 6 different group meetings to choose from every quarter. Each Track has 3 different sessions that run simultaneously covering topics from basic to intermediate to advanced. More details are provided in the Resident Programs section of this report.

Skill Development Activities

Participants who need to achieve competencies are required to accomplish take home activities or workshops that will assist them in developing the associated skills. There are several programs facilitated by KHA staff as well as programs run by outside agencies.

Goal Setting

Every person is required to develop and update their ISTP's every quarter. The ISTP helps participants identify a goal and break it down into simple steps. Participants are taught how to write SMART goals (Specific, measurable, achievable, resources, time lines). They are required to document and track their progress on these forms and revise as their goals change or new goals are added once significant milestones have been achieved.

The RSC acts as a coach and mentor guiding their participants to self-sufficiency. All RSC's are trained in financial management programs and are available to meet one on one to provide additional assistance to participants.

Safety Net

The Safety Net program provides temporary relief to households experiencing a financial hardship. The Safety Net program allows participants to work off a portion of their rent by completing jobs for the Keene Housing Authority, follow a payment arrangement, or reduce the rent/increase subsidy for a specified period of time by conducting an interim adjustment.

Participants who work to pay rent receive an hourly rental credit toward their rent balance. Safety Net is not meant to take the place of full-time employment for the participants who are able to work.

Participants are encouraged to find employment rather than use the Safety Net program. It is meant to be temporary assistance during times of economic hardship.

Information on the Safety Net program is distributed during lease-up and/or issuance, during annual certifications and self-certifications to remind housing recipients that they are entitled to apply for assistance. No one shall be denied the opportunity to apply, but acceptance is at the sole discretion of the Keene Housing Authority.

Safety Net Eligibility Guidelines

Anyone who receives assistance under the Spectrum MTW program may apply for assistance through the Safety Net program. Applicants must meet all three of the following criteria to be eligible for Safety Net:

- In good standing with the KHA
- In compliance with the RSR program
- Income eligible: resident pays more than 30% of their monthly income toward rent

Once an applicant meets the basic eligibility criteria, the Safety Net Committee will consider additional criteria such as:

1. Presents a valid, verifiable reduction in income by job loss, change in household composition of income earners or other extraordinary circumstances
2. Applicant has lost their job for good cause or is unable to work
3. Flat, Minimum or Step Rent Level is not affordable (more than 30% of the Resident's monthly income)
4. Extraordinary circumstances (such as an increase in qualified expenses)
5. Applies by the 20th of the month prior to the month for which they are requesting assistance or within ten days of the effective date of their income or expense change.(with exception of unexpected occurrences such as loss of job or illness)

Once an applicant has been accepted into the Safety Net program they must sign an amendment to their lease or Family Obligations Contract that adjusts their rent for a specified time frame.

Strategic Plan

Keene Housing Authority STRATEGY ROADMAP

Strategic Initiatives		Strategy Map		
Client Provide adequate affordable housing and related services in the Monadnock Region	Develop new housing and rehabilitate existing housing and KHA stock	Seek development opportunities	Rehabilitate existing affordable housing	Maintain quality of existing KHA housing stock
		Administer and develop self-reliance programs		
Learning and Growth Increase public awareness of the need and role of affordable housing needs of low and moderate income families	Increase awareness of affordable housing needs through educating decision makers	Active advocacy role in public and decision making arenas	Expand collaborative efforts	Encourage staff involvement in community
Internal Process Convey the mission of the organization to employees continuously and consistently	Provide training and professional development to maintain staff	Provide professional development opportunities within and outside of KHA	Provide administrative tools and facilities to increase efficiency and effectiveness of staff	
		Develop employee retention programs		
Financial Enhance the financial stability for the long term	Increase funding diversity to insulate from political and economic factors.	Seek partnerships and collaborations to increase fiscal resources	Utilize creative investment strategies	

STRATEGY ACTION	2006 EFFORTS	DESIRED OUTCOMES
Seek development opportunities	<input checked="" type="checkbox"/> Develop Evergreen Knoll and Stone Arch housing developments <input checked="" type="checkbox"/> Support development of Highlands project <input checked="" type="checkbox"/> Research future development opportunities	Increase stock of affordable housing in the Monadnock region by % Increase workforce housing
Rehabilitate existing affordable housing	<input checked="" type="checkbox"/> Provide funds for private landlords to rehabilitate housing through MAHC <input checked="" type="checkbox"/> Explore options associated with the Minerva project <input checked="" type="checkbox"/> Assist in preservation of Chamberlain Block as affordable housing	Secure and maintain % of existing housing stock in the Monadnock region
Maintain quality of existing KHA housing stock	<input checked="" type="checkbox"/> Conduct capital needs assessment and create effective capital improvement plan for KHA owned properties <input checked="" type="checkbox"/> Monitor Vestar energy savings <input checked="" type="checkbox"/> Refinance mortgage for Meadow Rd to finance capital improvement projects	Ensure properties meet Housing Quality Standards Maintain properties that are competitive with the private market
Administer and develop self-reliance programs	<input checked="" type="checkbox"/> Implement homeownership program <input checked="" type="checkbox"/> Develop Rent Readiness program for applicants <input checked="" type="checkbox"/> Expand services offered through RSR and Congregate to all KHA residents <input checked="" type="checkbox"/> Evaluate effectiveness of self-reliance programs	Increase number of residents achieving economic self-sufficiency Support residents' ability to live independently
Active advocacy role in public and decision making arenas	<input checked="" type="checkbox"/> Increase participation in and visibility of the Monadnock Partnership and Legislative Initiative <input checked="" type="checkbox"/> Participate in the Housing Focus Public Education Group projects <input checked="" type="checkbox"/> Continue the advocacy work of CEO on local, state and national level <input checked="" type="checkbox"/> Advocate for programs that assist residents in achieving self-reliance and maintain ability to live independently <input checked="" type="checkbox"/> Increase public relations activities such as press releases, presentations and public education events	Increase local, state and national support of affordable housing Educate public about the value and impact of affordable housing in their community Transform negative stereotypes of affordable housing into an image of workforce housing
Expand collaborative efforts	<input checked="" type="checkbox"/> Expand development partnerships with private organizations <input checked="" type="checkbox"/> Continue involvement in collaborative efforts such as the Highland project, Court St and Cottage St. <input checked="" type="checkbox"/> Increase access and accessibility of local services for residents by bringing services on-site <input checked="" type="checkbox"/> Create a non-profit association of NH Housing Authorities to seek and share funding sources.	Maximize the potential of funding coming into the Monadnock region and state.
Encourage staff involvement in community	<input checked="" type="checkbox"/> Maintain and increase KHA representation in local, state and national forums <input checked="" type="checkbox"/> Encourage staff participation in professional memberships and associations <input checked="" type="checkbox"/> Provide flexibility in staff schedules to attend community events as relevant to KHA	Increase community's awareness and knowledge about KHA's services and programs

	<input checked="" type="checkbox"/> Continue involvement of KHA staff on boards	
Provide professional development opportunities within and outside of KHA	<input checked="" type="checkbox"/> Create professional development plans for all staff <input checked="" type="checkbox"/> Provide opportunities for staff to attend industry trainings <input checked="" type="checkbox"/> Subscribe to resources to educate staff <input checked="" type="checkbox"/> Continue cross training staff <input checked="" type="checkbox"/> Continue development of intranet <input checked="" type="checkbox"/> Develop orientation programs for new employees	Increase professional esteem and competencies of staff
Provide administrative tools and facilities to increase efficiency and effectiveness of staff	<input checked="" type="checkbox"/> Build new facilities for staff that accommodate the number of employees and services offered by KHA <input checked="" type="checkbox"/> Build new site for maintenance to consolidate operations and equipment <input checked="" type="checkbox"/> Maintain and enhance computer systems: provide remote connection for satellite sites <input checked="" type="checkbox"/> Continue the transition to updated software	Increase the efficiency and effectiveness of staff
Develop employee retention programs	<input checked="" type="checkbox"/> Reevaluate salary ranges <input checked="" type="checkbox"/> Provide necessary training <input checked="" type="checkbox"/> Develop employee orientation program <input checked="" type="checkbox"/> Provide team development training and support <input checked="" type="checkbox"/> Develop employee incentive programs <input checked="" type="checkbox"/> Provide adequate work space <input checked="" type="checkbox"/> Develop stress management program	Increase the retention of KHA employees by %
Increase sources of funding for programs	<input checked="" type="checkbox"/> Provide consulting services for other organizations <input checked="" type="checkbox"/> Develop mixed income communities to increase funding to subsidize housing units and services <input checked="" type="checkbox"/> Review and raise gross rents of KHA owned projects as appropriate <input checked="" type="checkbox"/> Research grant opportunities	Diversify funding sources to preserve and expand KHA programs
Regulatory Relief	<input checked="" type="checkbox"/> Advocacy <input checked="" type="checkbox"/> Maintain and extend the MTW program <input checked="" type="checkbox"/> Continue implementation of quality control plan and compliance schedules <input checked="" type="checkbox"/> Implement the Quality Control Plan <input checked="" type="checkbox"/> Adherence to current PIC and HUD requirements	State and Local Housing Flexible Act of 2005 passed permanently extending MTW program
Program and Property Marketing	<input checked="" type="checkbox"/> Create program/property marketing tools <input checked="" type="checkbox"/> Continue development of MTW and KHA website <input checked="" type="checkbox"/> Continued upgrading of image and condition of housing <input checked="" type="checkbox"/> Reduce density on properties <input checked="" type="checkbox"/> Maintain properties that are competitive with private market <input checked="" type="checkbox"/> Develop Implement applicant orientation <input checked="" type="checkbox"/> Market programs and increase collaborations with other service agencies	Marketing and publicity tools created KHA web site page set-up for public access Vacancy rates reduced Resident survey scores Increased resident and community involvement
Staff Training	<input checked="" type="checkbox"/> Follow training schedules already in place <input checked="" type="checkbox"/> Add training to departments as needed	List training and professional development plans completed by staff

	<input checked="" type="checkbox"/> Quarterly in-house training for all staff Follow employee orientation check list and develop orientation programs Continue procedure development	Consistent and sustained training procedures Quality control reviews and audits report low error rates Increase staff efficiency and effectiveness
Software training and utilization	<input checked="" type="checkbox"/> Make sure everyone is trained on the aspects that apply to their department <input checked="" type="checkbox"/> Work with Boston Post & HAM to accomplish HUD MTW data transmission requirements	All modules of software programs are being utilized to full capacity Low error rates in reports and submissions to HUD
Evergreen Knoll and Stone Arch Village Occupancy Construction and Occupancy	<input checked="" type="checkbox"/> Project completion <input checked="" type="checkbox"/> Hire and train a property manager <input checked="" type="checkbox"/> Start Marketing EGK in June <input checked="" type="checkbox"/> Occupancy R&R training <input checked="" type="checkbox"/> Set up timetable for marketing, intake, and lease-up <input checked="" type="checkbox"/> Finance creates and maintains accounts, monthly financials and annual budgets <input checked="" type="checkbox"/> Maintenance preparedness	Construction completed on time and within budget limits All units leased up within required time frames
KHA OFFICE MOVE	<input checked="" type="checkbox"/> Complete development and construction phase <input checked="" type="checkbox"/> Share office plans with staff and solicit considerations for move <input checked="" type="checkbox"/> Planning and logistics	

Major Accomplishments in 2006

Facilities and Maintenance

- Moved into a new and improved warehouse and central maintenance facility. Space is now available to keep all inventory and tools in one location where security and stock levels can be better monitored. All materiel is kept in locked cages and is tracked with our new barcode system.
- Improved the functionality and security of our lock/key system thanks largely also to our new office and warehouse space.
- Outsourced most of the turnover work and much of the plowing. KHA did not have the staff available for these fluctuating work loads. Maintenance staff are able to concentrate their efforts on completing work orders, preventative maintenance and general property repairs. A Request for Proposal has been advertised in January 2007 for cleaning services.
- Hired a certified heating technician which has resulted in a marked decrease in service costs on our many heating systems. Through this technician expertise, we have also been able to get most of our maintenance personnel trained in furnace and heating system basics. This has, in many cases, allowed our on call person to repair a heating problem instead of calling the service company after hours.

Programs and Services

- Leased up 57 new units of Tax Credit Housing.
- Implemented a Homeownership Supportive Services program for public housing residents.
- Reduced average vacancy days.
- Increased percentage of revenue collected from Public Housing residents.
- Adopted several new policies critical to the efficient and effective delivery of housing services such as:

- No interims for increases in income.
 - Reduced certification requirements for households.
- Section 8 program continues to achieve 100% utilization averaging 392 participants
- Issued Section 8 Housing Assistance Coupons to 95 applicants (67 were in KHA properties).
- Currently have 5 Heading for Home homeowners.
- Secured several grants to continue funding for staff in public housing resident and youth services.

Community Development and Block Grant Program (CDBG)

- Wrote application for \$500,000 in CDBG funds for construction of infrastructure in the railroad yard being redeveloped by Monadnock Economic Development Corporation. This project is associated with the development of a hotel on the property. This application was approved by the Community Development Finance Authority in January, 2006.
- Wrote application for \$500,000 in CDBG funds for acquisition of the building formerly owned by Wright Silver Polish. This project, also undertaken by MEDC, involves the establishment of First Course, a culinary training and placement program for disadvantaged residents of Cheshire County.

Cheshire Housing Trust:

- Appointed Executive Director.
- Prepared a Futures Plan to reorganize the portfolio to make it financially self-sustaining. This Plan was approved by the CHT and KHA Boards in June.
- Made two property sales and several other sales of property rights, taking care to protect the financial interests of affected tenants. The effect of these was to fully fund reserves for the organization, including a capital improvement fund which will be used in 2007 for needed repairs on certain properties. The other effect was to give the organization a chance to move forward on a financially self-sustaining basis, using only rents, United Way, and a reasonable amount of fundraising.
- Renegotiated the New Hampshire Housing Finance Authority's mortgage on CHT's Hinsdale project to reduce the interest rate to 0% and extend the term to another 35 years. Although this project is not expected to make money, the revised mortgage terms will improve its finances on a long-term basis.
- CHT and KHA are working toward a permanent affiliation.

Special Projects

- Completed the construction of Stone Arch Senior and Family Housing and leased up all units before the end of 2006.
- Shelter Housing Assistance Coupon program provides rental assistance to 5 residents of a local shelter to help them rent on the private market after they have successfully graduated from the shelter's life skills program. 100% of the participants who were issued a HAC found housing.
- Dental Health Works continues to provide dental care for residents and other low income households in Keene.

Future Goals and Developments

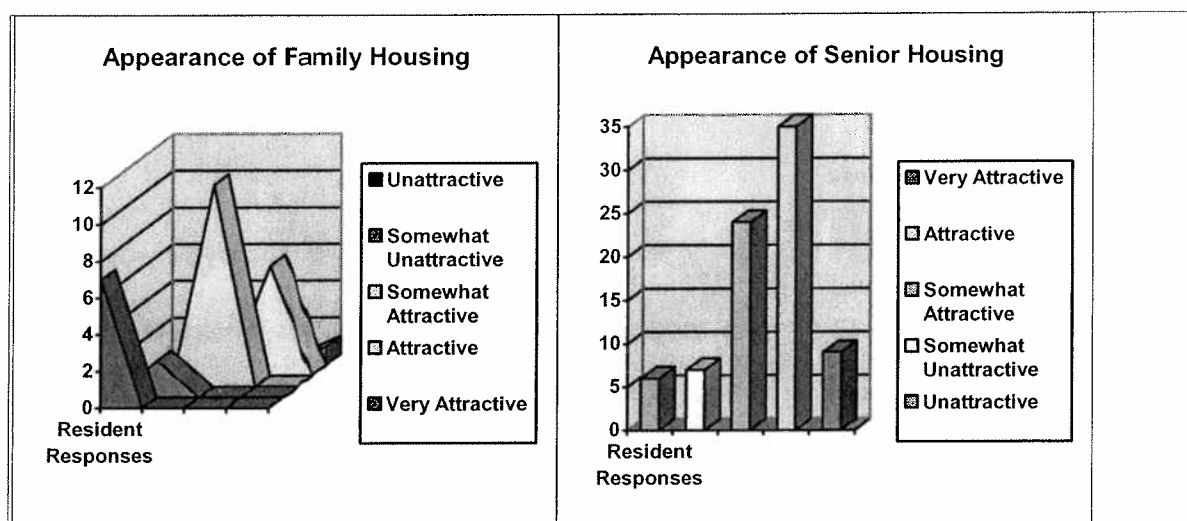
- Refinance and rehabilitate public housing to ensure a more stable funding source and provide financing for much needed capital improvements the current public housing budget does not adequately fund.

Resident Survey Results 2006

Public Housing resident surveys were conducted in July of 2006. Out of the 226 public housing residents, we received 36 responses from households living at family sites and 81 responses from households living at senior sites for a total of 117 responses. The results of the survey are summarized below for both family and senior sites. The survey indicated general satisfaction with the Keene Housing Authority management of the properties in the areas surveyed which included: Appearance of the Neighborhood, Safety, Maintenance, Communication and Services. The survey includes sections that prompt residents to provide comments and suggestions for making improvements which are included in this section of the report.

Appearance of Neighborhood

Rate the appearance of your neighborhood:



When asked what three improvements residents would like made in the appearance of their neighborhood, they included the following in order of most concern to least concern:

Aesthetic Concerns:

- Landscaping improvements; more frequent mowing of grass, more flowers, more bushes and shrubs planted, community planters, a community garden club that would landscape the planters, reseeded lawns, trim bushes, rake leaves in autumn.
- Litter cleanups, more rubbish containers to prevent littering, "No Littering" Signs, residents who allow their children to leave bikes, toys, and litter everywhere should be fined

Maintenance Concerns:

- Fix broken sidewalks and parking areas
- Fence property off from parking lot cleaner laundry room
- Laundry room open on weekends
- Broken sidewalks and parking areas repaired
- New fence around rubbish/ gas tanks/ laundry line areas
- Cleaner halls

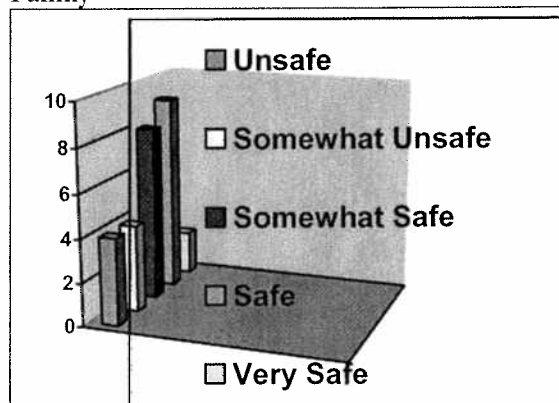
Community Interaction Concerns:

- More benches / outdoor areas for communal interaction
- Existing benches painted
- Bike lock areas for visitors

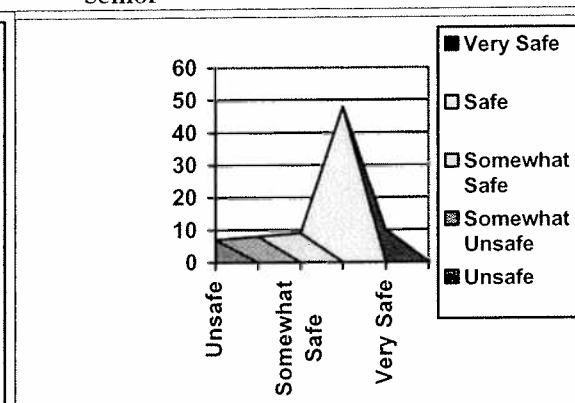
SAFETY

Overall, how would you rate the safety of your neighborhood?

Family



Senior



As indicated, a majority of residents reported feeling safe in their communities. We asked those who indicated they did not feel safe to identify the areas that could be improved to make them feel safe. Residents responded with a variety of suggestions, many of which were similar. These suggestions are listed in order of most concern to least concern.

Family Safety and Security Concerns:

- Address problems of loitering and disruptive behavior at family housing sites
- Speed limit / slow / stop signs in parking areas/roads
- Better lighting outdoors at night
- Increased police presence and security patrols
- Increased staff presence

Senior Safety and Security Concerns:

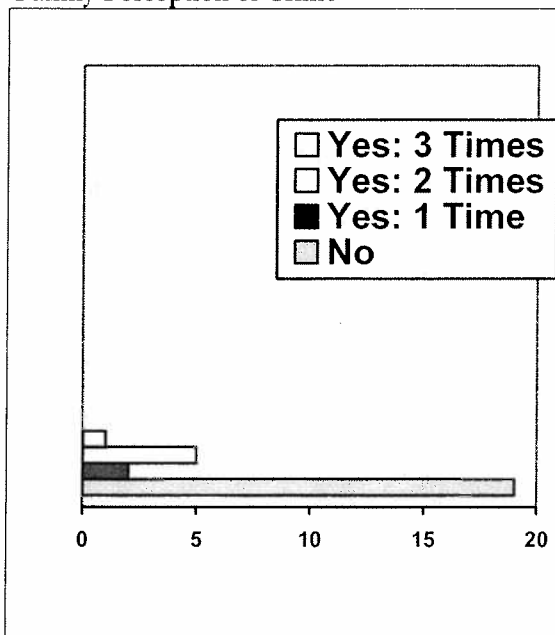
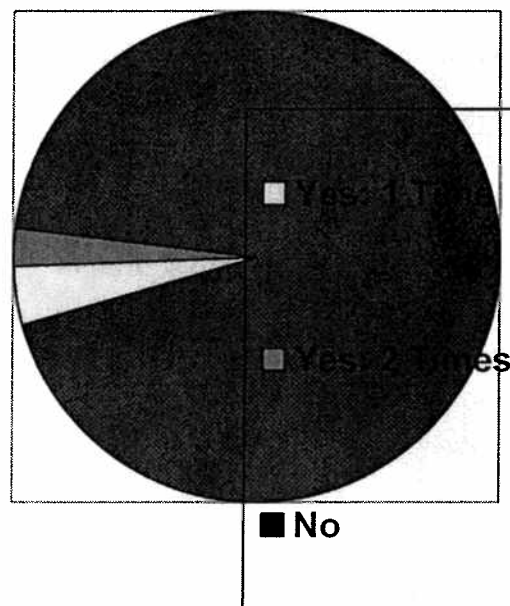
The most frequently listed concern by far was the allowance of younger tenants to live in the same buildings as elderly tenants. The elderly tenants also noted noise problems, inability to get proper rest at night, security issues with multiple guests, fear, and illegal substance use as supporting data for this concern.

The most frequently listed security concern revolved around the subject of keys. Residents stated their key will open any building's common entrance exterior door. They stated that this invoked fear and mistrust and want keys specifically made for each building to reduce the possibility of crime and unnecessary noise. Other Security requests included:

- Security at night
- Quicker responses from KHA to illegal live-ins
- Better intercoms that tenants can actually hear
- Stop/slow signs in parking areas and on road
- Railings in all stairwells

Crime Occurrence and Frequency

Residents were asked if they were a victim of crime in their community.

Family Perception of Crime**Senior Perception of Crime**

Family Housing	Senior Housing
<p>In the past year, have you had to call the Police for assistance in your neighborhood? (9)Yes (16) No</p> <p>We asked residents to rate how safe they felt in their apartment and their housing development. (1) Unsafe (0)Somewhat unsafe (12) Somewhat safe (10) Safe (2) Very safe</p> <p>If they did not feel safe, we asked them to identify the areas that could be improved to make them feel safe.</p> <p>Residents responded with a variety of suggestions, many of which were similar. These suggestions are listed in order of most concern to least concern.</p> <ul style="list-style-type: none"> • security/ police patrols at night • supervision by parents of their young children • parking lot safety • take drug/abuse complaints seriously and issue an inspection 	<p>In the past year, have you had to call the Police for assistance in your neighborhood? (9)Yes (70)No</p> <p>We asked residents to rate how safe they felt in their apartment and their housing development. (5) Not safe (6)Less than safe (12) Somewhat safe (42) Safe (11) Very safe</p> <p>If they did not feel safe, we asked them to identify the areas that could be improved to make them feel safe.</p> <p>Residents responded with a variety of suggestions, many of which were similar. These suggestions are listed in order of most concern to least concern.</p> <ul style="list-style-type: none"> • Deadbolts on all doors • New intercoms • Prohibiting late night visitors • Improved key security • Motion lights • Improved outdoor lighting

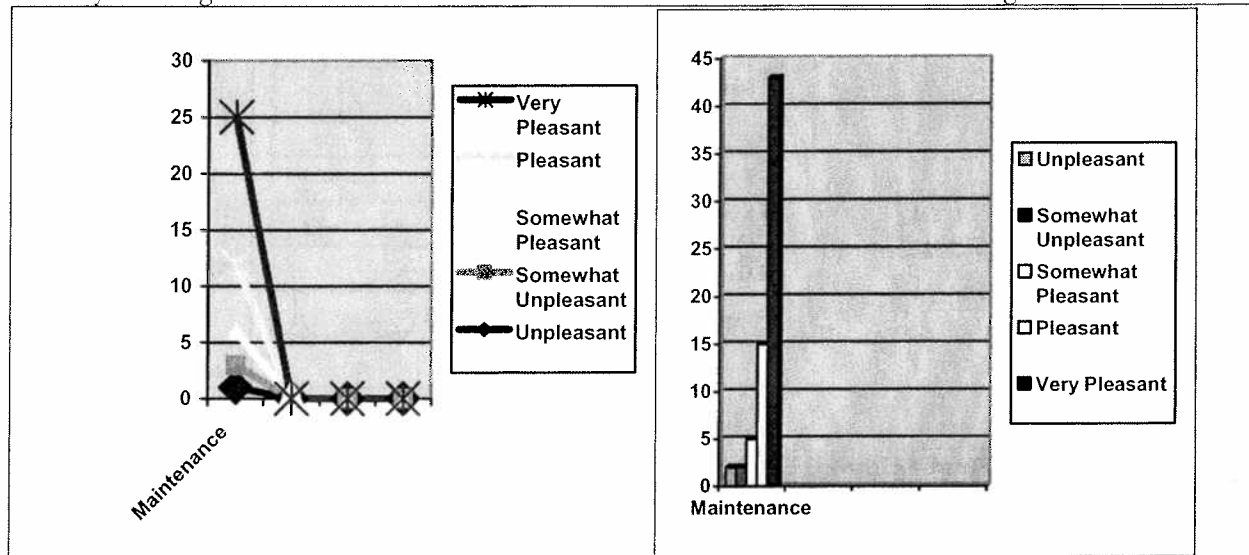
- Security/police patrol at night

MAINTENANCE & WORK ORDERS

How pleasant was the person completing the last work order you submitted?

Family Housing

Senior Housing

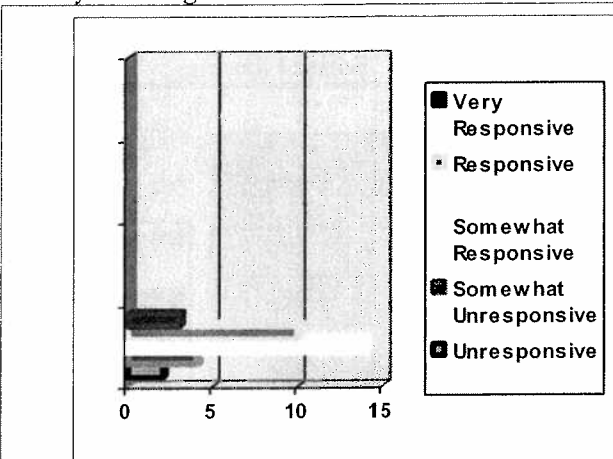


Family Housing	Senior Housing
<p>How easy was it to submit a work order? (3)Difficult (0)Somewhat Difficult (2)Somewhat easy (8) Easy (13) Very Easy</p>	<p>How easy was it to submit a work order? (3)Difficult (5)Somewhat Difficult (11)Somewhat easy (16) Easy (36) Very Easy</p>
<p>What one item would you repair/replace/improve in your unit? Why?</p> <p>Residents responded with a variety of suggestions, many of which were similar. These suggestions are listed in order of most concern to least concern.</p> <p>Oven, cabinets, counters, doors, refrigerator, paint unit.</p>	<p>What one item would you repair/replace/improve in your unit? Why?</p> <p>Residents responded with a variety of suggestions, many of which were similar. These suggestions are listed in order of most concern to least concern.</p> <p>Oven, tile around bathtub, carpet, locks, cabinets, kitchen linoleum, thermostats, doors, window casings/screens/locks, repaint units.</p>
<p>What one item would you repair/replace/improve in your development to improve your community?</p> <p>Better outdoor lighting, playground repair/replacement, security patrols, outdoor water access, provide activities for 1-4year olds.</p>	<p>What one item would you repair/replace/improve in your development to improve your community?</p> <p>New rugs in halls, intercoms, repaint halls, accessible auto-doors, repair washers and dryers, sidewalk repair, outdoor seating areas, cleaner sun porches.</p>

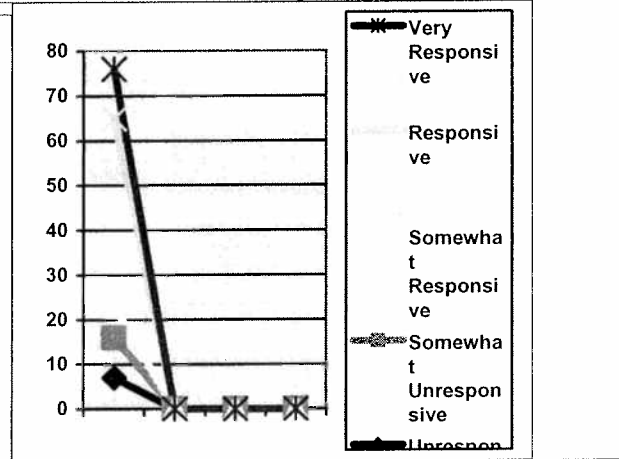
COMMUNICATION

Is KHA management responsive to your questions and concerns?

Family Housing



Senior Housing

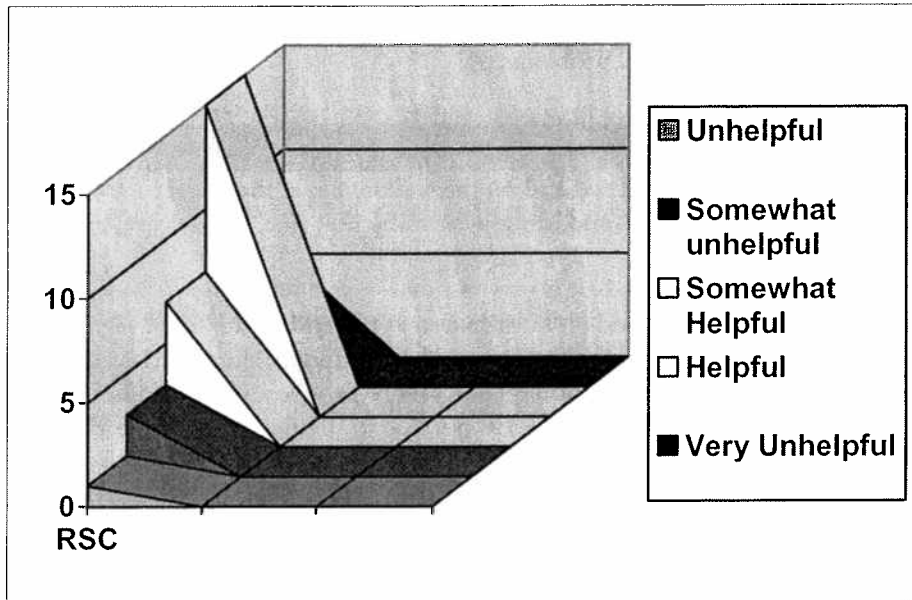


Family Housing	Senior Housing
<p>Does the KHA provide you with information about your property? (2) Too little information (4) Somewhat Informative (6) Informative (20) Very Informative</p> <p>What suggestions would you make to improve communication?</p> <p>Residents responded with a variety of suggestions, many of which were similar. These suggestions are listed in order of most concern to least concern.</p> <p>Deal with complaints more promptly and seriously, communicate with residents through email, quicker responses from staff, hold annual residents' meeting, and separate night phone number for maintenance.</p>	<p>Does the KHA provide you with information about your property? (13) Too little information (8) Somewhat Informative (40) Informative (9) Very Informative</p> <p>What suggestions would you make to improve communication?</p> <p>Residents responded with a variety of suggestions, many of which were similar. These suggestions are listed in order of most concern to least concern.</p> <p>Formation of Resident's Council, more prompt and responsive attention to reported residents concerns, increase staff awareness of issues affecting elderly.</p>

SERVICES

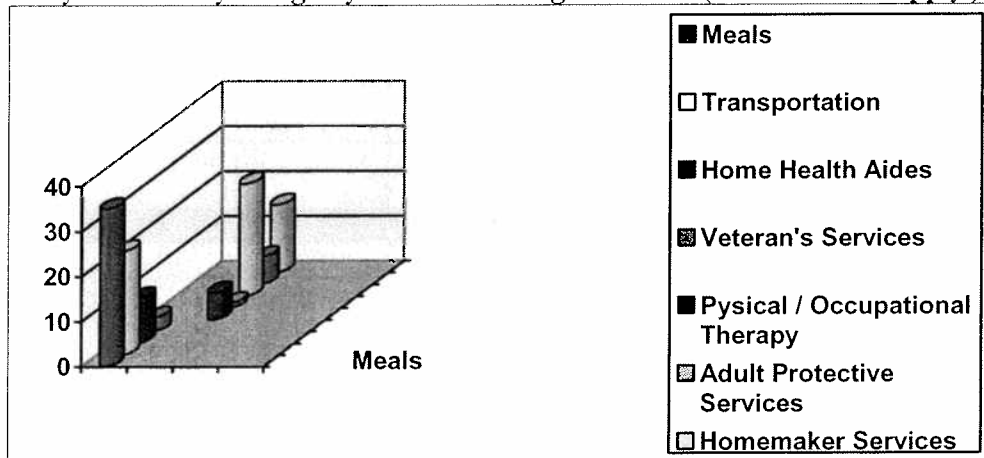
Family Housing Only:

How helpful was your RSC in developing your goals for the year?



Senior Housing Only:

Are you currently using any of the following services? (Check all that apply.)



(35) Meals (0) Adult Protective Services (23) Transportation (25) Homemaker Services
(10) Home Health Aides (6) Support Groups (2) Veterans Services (16) Mental Health

Keene Housing Authority Action Plan

The following actions have been adopted by the Keene Housing Authority to respond to the issues noted by residents in the survey. It should be noted many of these strategies were already identified as goals by the agency and are not exclusively a response to the survey.

1. Find an alternative funding structure and refinance the public housing properties. This is necessary because the capital funds and operating budget for public housing is not funded adequately to maintain the properties and address resident concerns. This will allow the KHA to fund much needed repairs and improvements.
2. The Public housing Property Manager has already collaborated with the local Police Department to increase staff and police present on the property to deter unwanted

activity. This activity will continue as well as the rehiring of a security firm to patrol areas with problems or potential problems.

Households Served

The characteristics of both households served and on the waiting list at the end of 2006 are examined in this section of the report. Data is analyzed and broken down by unit size, family type, income group, housing type and race and ethnicity.

Figures for the households served are based on information at the end of the fiscal year. Public Housing did not change the number of units available thus the number of household served is consistent with the number of units available. Figures for the Section 8 HAC/HCV program were calculated based on average utilization rates. The voucher allocation is 358 but due to the flexibility of the Housing Assistance Coupon, KHA was able to serve 392 households in 2006.

Households Served 2006

Households Served 2000						
Program	Bedroom Size					Total
	Studio	1 BR	2BR	3BR	4BR+	
PHA						
Bennett Block	1	12	1	0	0	16
Harper Acres	49	55	8	0	0	112
Forest View	0	0	12	26	0	38
North/Gilsum	0	0	0	23	6	29
Farmstead Commons	0	0	3	0	0	3
Scattered Sites	0	6	12	9	3	30
PHA Totals	50	73	36	58	9	226
HAC/HCV						
MTW HAC's and HCV's	8	173	128	77	6	392
Mainstream HCV	0	40	7	2	0	50
HAC/HCV Total						

Characteristics of Households Served

	Section 8 2006 Annual Plan	Section 8 2006 Annual Report	PH 2006 Annual Plan	PH 2006 Annual Report
Total Households Served	406	392	226	226
Unit Size				
0	5	8	50	50
1	225	173	73	73
2	140	128	36	36
3	58	77	58	58
4+	5	6	9	9
TOTALS	406	392	226	226
Family Type				

Family	185	162	100	94
Elderly/Disabled	221	230	126	132
TOTALS	406	392	226	226
Income Group				
>30	225	204	135	130
30 -50	141	138	68	78
50 – 80	40	28	23	18
>80	0	42	0	0
TOTALS	406	392	226	226
Race/Ethnicity				
American Indian/Alaskan Native	0%	2	0%	>1%
Asian	0%	0	0%	>1%
Black	>1%	7	>1%	>1%
Hawaiian	0%	0	0%	1%
White	99%	382	99%	98%
Hispanic	>1%	>1%	>1%	1%
Non-Hispanic	100%	100%	100%	99%

Characteristics of the Waiting List

At the end of 2006, there were a total of 628 applicants on the Keene Housing Authority waiting lists. The waiting list has increased slightly from the 580 reported on 2005's annual report and is consistent with the 662 projected in 2006's Annual Plan. Since Keene Housing Authority has a wide variety of housing options for its applicants including Section 8 Tenant Based Vouchers, various Project Based Section 8 housing sites, several Low Income Housing Tax Credit properties as well as public housing, many applicants chose to be on multiple waiting lists when they apply for assistance with the Keene Housing Authority. The Keene Housing Authority maintains a separate waiting list for each property or program. Average waiting list lengths vary by property and bedroom size and are summarized in the chart below.

The waiting list lengths are significantly longer for elderly sites than family despite the construction of several affordable housing elderly complexes in 2006. The waiting lists for public housing family sites are shorter than other family sites (LIHTC and Section 8 Project Base) because applicants generally prefer new properties that do not have the stigma generally associated with public housing communities. Our public housing stock is significantly older and with reduced capital funds available to make improvements it is difficult to maintain them to the quality and standard of other affordable housing programs.

Property Name	Location	Bedroom Sizes	Approximate Wait Length
---------------	----------	---------------	-------------------------

Family Housing Options			
Forest View Townhouses	Keene	2 and 3	2 bedroom 11 months 3 bedroom 5 months
North and Gilsum St Townhouses	Keene	3 and 4	3 bedroom 5 months 4 bedroom 4 months
Scattered Sites	Keene	1, 2, 3 and 4	1 bedroom 42 months 2 bedroom 30 months 3 and 4 bedroom 2 to 5 months
Evergreen Knoll Townhouses	Swanzy	2 and 3	16 months
Meadow Rd Townhouses	Keene	2 and 3	2 bedroom 7 month 3 bedroom 5 months
Riverbend Townhouses	Swanzy	2 and 3	2 bedroom 9 months 3 bedroom 12 months
Wedgewood Duplexes	Winchester	2 and 3	2 bedroom 7 months 3 bedroom 5 months
Stone Arch Village	Keene	2 and 3	12 months
Senior Housing Options			
Chamberlain Block	Keene	Studio and 1	No wait currently
Central Square Terrace (CST) High Rise	Keene	Studio and 1	18 months
Harper Acres 2 Story Walk-up (accepts near elderly age 50+)	Keene	Studio, 1 and 2	Studio 30 months 1 and 2 bedroom 30 months
Bennett Block 3 story with elevator	Keene	0, 1 and 2	Congregate applicants receive preference for admission
Stone Arch Village -- Senior	Keene	1 and 2	12 months
Housing Assistance Coupon	Parts of Cheshire County	All bedrooms sizes	30 months
Heading For Home Homeownership Program	Parts of Cheshire County	All bedrooms sizes	30 months

Issues impacting the waiting list in 2006 include:

- The completion of construction and lease-up of two new Low Income Housing Tax Credit properties in Keene managed by the Keene Housing Authority. This includes 33 units of Senior housing and 24 units of family housing in Keene, NH.
- The waiting list length for public housing family sites is low and significantly shorter than public housing elderly sites despite several new affordable housing properties constructed for seniors in the past year. Filling 3 and 4 bedroom units continues to be a challenge at all family housing sites, regardless of program funding sources.
- The waiting lists for scattered sites, Harper Acres and Section 8 need to be purged. The numbers on the waiting list will be reduced after we accomplish this task in the beginning of 2007. As a result, the total number of people on the waiting list year end, 628, could be slightly inflated.
- Competition from within Keene Housing Authority contributed to some applicants on the public housing waiting lists preferring to move into newer properties with better design and site plans than our public housing constructed in the 1960's. Increase in Capital Improvement Funds would significantly help the Keene Housing Authority to modernize its public housing stock. Also, administering the waiting list has become significantly more complex given the increased number of housing choices offered and the corresponding program compliance requirements accompanied by these programs for a small agency like the KHA with limited staff resources.
- There has been an increase in the amount of applications received from Massachusetts shelter residents who are required to apply for housing with us and other NH Housing Authorities even if they do not want to move to the Keene area. One applicant asked if she would be able to continue to send her children to the Boston school districts because she wasn't even aware of Keene's location or proximity to Boston. It is clear these applicants are being forced to apply to remain residents of the shelter. We have chosen not to create a residency preference but are concerned about applicants being forced to move to the region or face homelessness.

Characteristics of the Waiting List for Public Housing

Family Type	Family	Elderly/Disabled	Totals
PHA	142	197	339
HCV	331	163	494
Totals			

Unit Size	0	1	2	3	4+	Totals
<ul style="list-style-type: none"> • 0 and 1 bedrooms totals are combined in the 1 bedroom list • Keene Housing Authority utilizes the site based waiting list management system. As a result, some applicant households may be on the waiting list for multiple public housing sites. 						
PHA						
Bennett Block		25	5			30
Harper Acres	-	152	14	-	-	166
Forest View	-	-	65	38	-	103
North/Gilsum	-	-	-	32	7	39
Scattered Sites	-	178	75	39	11	303
HAC						
HAC	*	394	64	74	17	494

* 0 bedroom units are combined with the 1 bedroom unit count

Income Level	>30% ELI	30% -50% VLI	50% -80% LI	Total
Bennett Block	21	6	1	28
Harper Acres	106	45	15	166
Forest View	81	14	8	103
North/Gilsum	32	6	1	39
Scattered Sites	206	72	25	303
HAC	352	111	31	494
Totals				

Occupancy Policies

MTW Rent Policies and Analysis

The Section 8 Housing Assistance Coupon portion of the SPECTRUM Housing Program is a budget based block grant. There is a significant efficiency built into the program which allows utilization of subsidies 10-15% over what would be possible in a unit based system, yet still allowing sufficient funds for adequate administration and even service coordination for Section 8 participants.

The rent burden charts below reflect the rent burden of Public Housing residents and HAC participants as of January 1, 2007. The rent burden report is a snapshot in time and can fluctuate throughout the year as income and employment levels of participating families change and new families enter or exit the program. Rent burdens have remained relatively low throughout the 5 year duration of the program as documented in rent burden charts. Despite an increase in rents in Public Housing in 2006, there was actually a decrease in the number of participants with rent burdens above 30%.

Staff monitor these rent burdens and if they remain constant then the Keene Housing Authority may decide to take action such as lowering the FMR percentage used to calculate the rents. For instance, at Step 3, rent is calculated at 65% of the FMR. If needed, it could be lowered to 60% or 55%. If families are able to increase their income level to 50% of the Median Area Income then all rent burdens would be around 30%. Resident Service Coordinators will need to work closely with residents who have rent burdens of 35% or higher to determine the causes of their specific hardships and help them identify strategies to increase employment and income as appropriate to the individual circumstances in each household. Staff will also be monitoring wage information for the area to determine if it will be able to support rents charged by the Public Housing program. Currently there are adequate jobs and incomes to support the rents charged in the public housing program. Residents anticipating a temporary hardship can apply for the Safety Net program which will reduce the amount of rent.

Changes in Rent Burden

	Baseline 1999	HAC 2005	PH 2005	HAC 2006	PH 2006
Less than 20%	18%	45%	19%	35%	17%
20 to 29%	56%	29%	35%	35%	46%
30% and above	26%	26%	46%	30%	37%
Total	100%	100%	100%	100%	100%
Number of Households	70	100	69	80	70

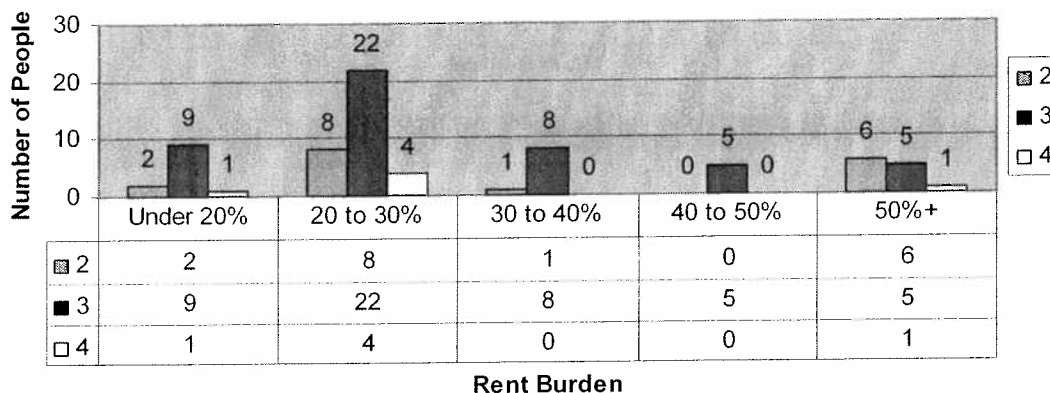
Public Housing Rents

Housing rents are a flat rate based on the bedroom size and number of years a person has been in the program. The Public Housing Step Rents remain significantly more affordable than current FMR's as listed in the chart below.

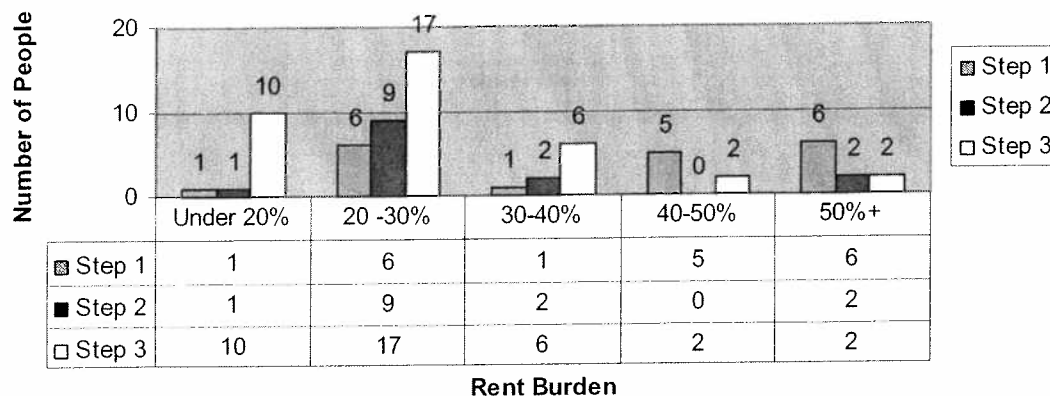
2006 Fair Market Rents in Cheshire County effective 10/1/2006

0 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
\$613	\$654	\$820	\$989	\$1204

PH Rent Burden by Apt Size



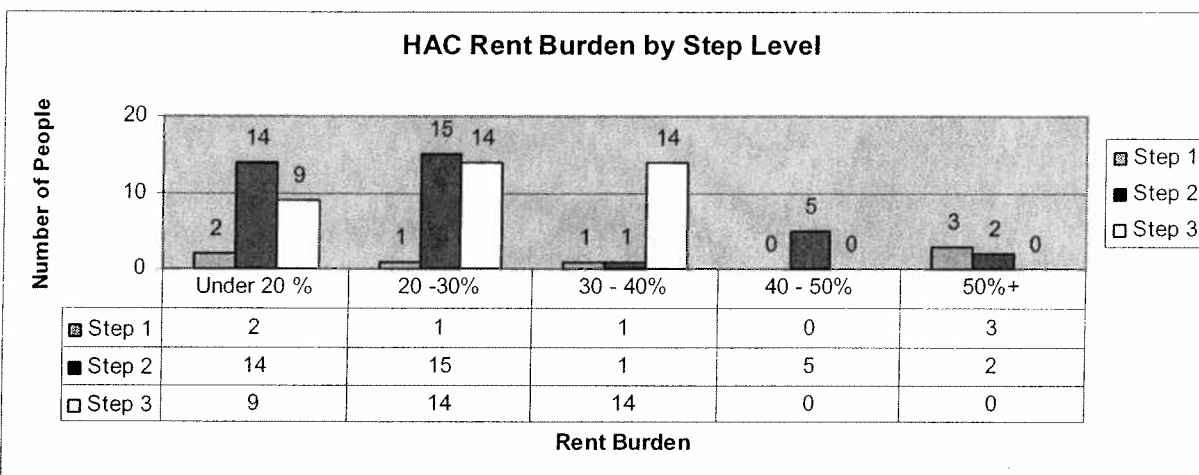
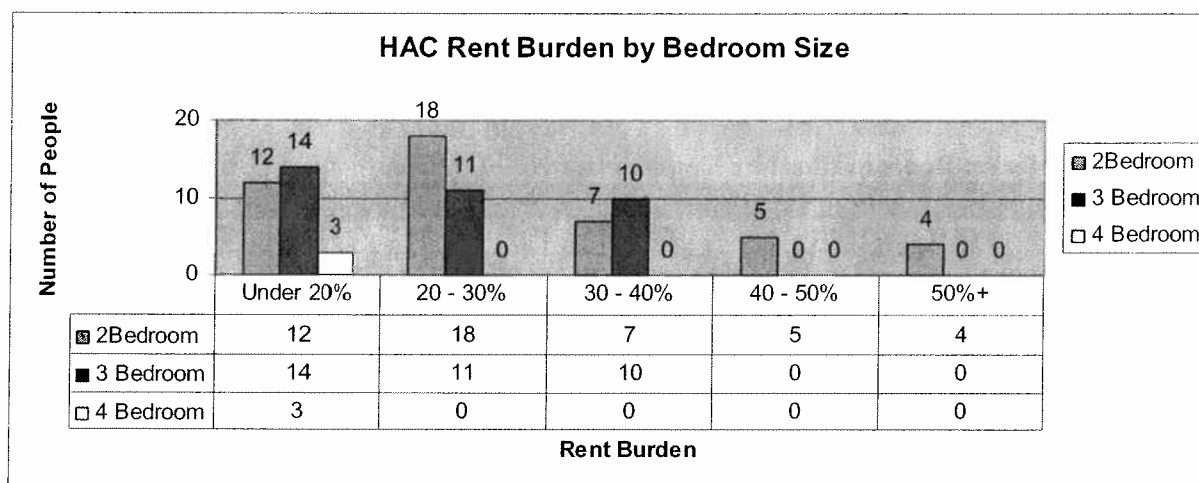
PH Rent Burden by Step Level



Housing Assistance Coupon Program

Rent burdens increased only slightly in 2006. Two-thirds of participants have rent burdens below 30%. Generally, incomes among HAC participants tend to be higher than Public Housing participants because households with lower incomes are less successful competing in the private market for rental units. Rent burdens remain relatively stable as compared to those in 2004 with a majority of participants having rent burdens at or below 30%.

This remains true for participants at the Step 1 Level. In 2005 KHA implemented a new subsidy calculation method for Step 1 subsidy. Previously subsidy was calculated based on 80% of the FMR. The subsidy is calculated based on 20% of the adjusted gross income. This policy change has not adversely affected the participants in the program.



HAC Time Limits

In 2006, the first group of HAC's expired. Out of the total 5 families whose 5 year contract expired in 2006, 3 were renewed, none were terminated and 2 left the program without requesting an extension because they didn't meet the income eligibility requirements. Participants, if they are in good standing

and in compliance with RSR, may apply for an extension for up to two years. If their gross median income exceeds the 60% limit they will not be accepted for an extension but may still qualify for a Heading for Home HAC.

Standard Deduction for Elderly and Disabled Households

The standard deduction was implemented in 2006. Relatively few families had actual medical expenses above the standard deduction of \$1500. \$1100 of the deduction is for medical expenses while the remaining \$400 is applied as the elderly household deduction. Households with medical expenses higher than \$1100 received the full amount of their verified medical expenses. Since there were only a handful of households in this category an extraordinary amount of administrative time was saved during the annual recertification process in 2006. The standard deduction will need to be increased in 2007 due to increases in the Medicare insurance programs.

Vacancy Rates

Property	Target Vacancy Rate Dec. 2006	Occupancy Trend on 12/31/2006	Average number of Vacancy Days	Actual Vacancy Rates 2006	Turnover Rates for Property
Harper Acres	<1%	99%	36	1%	14%
Bennett Block	<1%	93%	38	4%	36%
Harmony Lane	<1%	100%	37	3%	29%
North & Gilsum	<1%	100%	35	5%	56%
Scattered Sites	<1%	92%	20	1%	27%
Farmstead Commons	<1%	100%	0	0%	0
Averages 2006			28 days	2.3%	27%
Averages 2005			36 days	2%	19%
Averages 2004			34 days	2.33%	21.5%

Despite an increase in vacancies and the addition of 57 new units of housing, the Property Management staff and Maintenance staff were able to reduce the vacancy loss and average number of vacancy days. The Maintenance Department successfully contracted out the turnover of all units thus reducing the average time to turnover an apartment. Occupancy staff were able to streamline the application process to reduce the time it takes to complete the application process. Marketing of public housing continues to be a problem, especially when applicants have the choice of new and more attractive properties such as Stone Arch Village (LIHTC program) offered by the Keene Housing Authority.

The Property Management and Intake staffs still find it difficult to market 3 and 4 bedroom units, especially at public housing sites which are older and less desirable among applicants. As mentioned previously, the Keene Housing Authority also implemented stricter screening criteria which further reduced the eligible applicant pool. Staff are working on a variety of strategies to address the vacancy rates and improve the marketing of the properties including:

- Holding open houses inviting applicants to tour the communities.
- Lifting restrictions on occupancy standards.

- Marketing the program to applicants on the Section 8 waiting list which is approximately 30 months
- Advertising in the paper and sending mailings to a variety of agencies and organizations throughout the state noting there is a shorter waiting list for specific properties. Sometimes people do not apply because they think the waiting list might be too long.
- Improvements in safety and enforcement of the lease increasing the satisfaction of existing tenants. Many tenants have commented on the decrease in the number of disruptive incidents occurring on the family sites as a result of new screening procedures and the presence of security personnel on the property. Public Housing has long battled a bias newer affordable housing communities in Keene do not encounter. The Property Manager has educating people to reduce prejudice in the community about public housing properties. That process starts with strict enforcement of the lease so existing tenants realize that high standards are being upheld within the public housing community.

The increase in turnover wasn't exclusive to our Public Housing programs. Turnover was also high in our Section 8 project based properties ending the year at 73% for some properties.

Rent Collections

Rents uncollected at December 31, 2006 were anticipated to be less than 1%. Actual rent rolls uncollected were 3%, for all public housing sites, same as in 2005. There was an improvement with rent collection at family sites. There was a vacancy loss of \$26,583 out of a gross rent potential of \$891,687. This was a decrease of about \$3000 from 2005, even with an across the board rent increase in 2006 for public housing families in the Step Rent program.

In 2006, the Keene Housing Authority has started work with a collection agency to increase rent loss when a tenant leaves without paying their balance. Hopefully this will further decrease the rent loss on 2007.

Work Orders

In 2006 the Maintenance department faced many exciting challenges. The most notable of these was the acquisition and absorption of five new buildings at Stone Arch Village and the physical relocation of The Keene Housing Authority's office and operations. This was accomplished with a modicum of outside assistance and with reduced staff. Maintenance continues to work in cooperation with the various building contractors to iron out details and correct warrantee problems.

As part of the office and Maintenance relocation, Maintenance staff are now in new quarters with ample space for storage of tools, inventory and dead files. It has also afforded us the chance to have secure inventory for the first time. There is also an improved security system for monitoring apartment keys. The inventory control system has had some software startup problems which are now resolved. The inventory program will be running at full capacity by March 2007. It was decided to bring the inventory and paperless work order system on line in phases for financial reasons. The goal still remains to upgrade to hand held devices in 2008.

A number of changes have been instituted in the work order process as well as the follow up methods. These changes have reduced the average number of open work orders from 150 or 200 work orders to

40 or 50. The average time for closing normal work orders has dropped to 12 days. Outsourcing turnover work has freed up staff and reduced Maintenance turnover time to 7 days in most cases. We are constantly looking for ways to improve the quality and quantity of what we do. We strive to further improve work order efficiency not only in the completion of work orders but also in the tracking and processing of work orders.

Bennett Block		Total Work Orders: 219	
Type of Work Order	Total Number of Work Orders	Average Days to Complete Work Order	
High	44	5	
Normal	115	10	
Emergency	60	0	
Harper Acres		Total Work Orders: 1157	
Type of Work Order	Total Number of Work Orders	Average Days to Complete Work Order	
High	167	4	
Normal	461	9	
Emergency	529	0	
Total Work Orders for Senior Housing	1376 Average Response Rate for Normal Work orders 9.5 days		
Scattered Sites		Total Work Orders: 357	
Type of Work Order	Total Number of Work Orders	Average Days to Complete Work Order	
High	122	6	
Normal	181	8	
Emergency	54	0	
Harmony Lane		Total Work Orders: 433	
Type of Work Order	Total Number of Work Orders	Average Days to Complete Work Order	
High	121	5	
Normal	219	13	
Emergency	93	0	
North/Gilsum		Total Work Orders: 521	
Type of Work Order	Total Number of Work Orders	Average Days to Complete Work Order	
High	129	3	
Normal	295	8	
Emergency	97	0	
Total Work Orders for Family Housing	1311 Average Response Rate for Normal Work Orders 10 days		
Total Work Orders for all Public Housing	2468		

Some of the issues facing the Maintenance Department on 2006 are

- Plowing and adverse affect on work order and turnover response time
- Cleaning facilities
- Inventory control

- Advancing skill level of employees
- Depreciation of vehicles

Our proposed actions are:

- Maintenance outsourced about three quarters of the plowing duties to decrease overtime and improve response times during the winter months.
- After an unsuccessful attempt to hire a well qualified lead cleaning person a Request For Proposal has been advertised for cleaning duties.
- Inventory, appliance and tool control will be addressed by a barcode system in place at our new maintenance facility. Staff are in the process of getting the necessary information loaded into the system to get it up to full potential.
- More comprehensive training and better organization of work loads will improve both quality and quantity of work.
- Vehicle use will change a bit with outsourcing of much of the plowing. We plan to convert to van based service over time moving away from solely expensive to run and maintain pick up trucks. We believe this will save a significant amount of money and provide better availability of supplies on site, translating into more efficient service work.

Inspections

100% of units in public housing were inspected in November of 2006 using the Uniform Physical Conditions Standards. Inspections were conducted by U.S. Inspection Group Inc. USIG provided the Keene Housing Authority with the following scores based on their inspection of 100% of public housing units. In addition, REAC inspected a percentage of units in June of 2006.

All of the sites scored well above the national average for similar size projects with the exception of Forest View and North and Gilsum sites. Keene Housing Authority sites are well maintained but the family sites are subject to more damage. Property Managers are adopting new strategies to ensure families are taking care of their units including more frequent inspections. Like the elderly sites, the family sites are old but they are also subject to more wear and tear based on the increased number of people occupying the units. The rooms are small in the family sites compared with new construction units being built today. Wear and tear on the unit can also be minimized by providing adjusting occupancy standards to avoid higher impact on units. Maintenance is also investigating approaches to making the units more durable including different flooring.

REAC SCORES 2006

Property	KHA Score	National Average Score
NH36-P010-001 Harper Acres	93%	69.91%
NH36-P010-002 Harper Acres –Ashuelot St	82%	74.40%
NH36-P010-003 Forest View North and Gilsum St	89%	75.12%
NH36-P010-005 Scattered Site	93%	74.40%

NH36-P010-006 Scattered Sites	86%	74.40%
NH36-P010-009 Scattered Sites Farmstead Commons and Bennett Block	71%	74.40%
NH36-P010-010 Scattered Site Damon Ct	90%	74.40%

Changes in Housing Stock

The Keene Housing Authority maintained the same number of units of Public Housing in 2006, 226, as noted in the 2006 Annual Plan. The following chart summarizes the Public Housing stock at the year end in 2006:

Public Housing	Units	Type	Bedrooms	Contract Number
Harper Acres	112	Elderly & Disabled	49-0BR, 55-1BR, 8-2BR	NH36-P010-001 & 002
Bennett Block	14	Elderly & Disabled	1-0BR, 12-1BR, 1-2BR	NH36-P010-009
Forest View	38	Family	12-2BR, 26-3BR	NH36-P010-003
North & Gilsum	29	Family	23-3BR & 6-4BR	NH36-P010-003
17-19 Roxbury Ct	4	Family/Elderly	4-1BR	NH36-P010-005
440 Main St.	2	Family	2-4BR	NH36-P010-005
64 Spring St.	2	Family	2-3BR	NH36-P010-005
69 Elm St.	2	Family	2-2BR	NH36-P010-005
537-539 West St.	4	Family	4-2BR	NH36-P010-005
51 Forest St.	3	Family	1-1BR, 2-3BR	NH36-P010-006
309 Water St.	3	Family	3-2BR	NH36-P010-006
390 Water St.	2	Family	1-1BR & 1-4BR	NH36-P010-006
Farmstead Commons, #54, #59, #69	3	Family	3-2BR	NH36-P010-009
45 Damon Court	6	Family	2-2BR, 4-3BR	NH36-P010-010
9 Spruce St.	2	Family	2-3BR	NH36-P010-010
Total Public Housing Units	226			

Sources, Uses and Amounts of Funding

Planned Versus Actual Unaudited

SOURCES OF FUNDS

Income Source	FY 2006 Budget	FY 2006 Actual
Section 8 Funds	\$2,455,479	\$2,586,886

Keene Housing Authority**Moving to Work Annual Report 2005**

Public Housing Operating Fund	\$365,552	\$434,784
Public Housing 2006 Capital Fund	\$329,000	\$291,039
Public Housing Rental Income	\$809,950	\$860,526
Public Housing Non Rental Income	\$22,000	\$25,650
Interest Income	\$8,400	\$13,770
Fees, Congregate Program	\$48,000	\$48,000
Other Income/ Expense	<u>\$30,500</u>	<u>\$23,888</u>
Total Sources	\$4,068,881	\$4,284,543

USES OF FUNDS

Admin & Program Expenses	\$805,275	\$860,298
Congregate Program	\$48,000	\$48,000
Maintenance Expenses	\$697,273	\$712,667
Utilities	\$390,000	\$453,774
Energy Equipment Lease	\$0	\$57,000
General Operating Expense	\$163,950	\$165,007
HAP Disbursed	\$1,964,383	\$1,977,797
Reserve Account Deposit	<u>\$0</u>	<u>\$10,000</u>
Total Uses	\$4,068,881	\$ 4,284,543

The Keene Housing Authority continuously strives to improve and maintain the quality of our properties and our programs. Under the new Operating Fund calculation, we received an increase of \$69,000 over the budgeted amount for 2006. However, with budget cuts, we received \$38,000 less in Capital Funds. Tenant rental income exceeded the budget by over \$50,000. This increase is a result of our step rent program.

The Keene Housing Authority moved into new offices in 2006. Previously, the offices were located in a small converted public housing space. The new offices include a large training room, more conference room space, and private rooms to work with clients. The new location also provides easier access and parking for clients. The increase in administrative expense includes rent, computer upgrades, and other small equipment for the new offices. Also included in administrative expense is the cost of hiring a security firm to address problems with teenage residents at family properties. A new system of doing background checks on prospective residents also contributed to higher administrative costs. We reduced staffing again this year to reduce costs.

We continually struggle with the challenge of making needed capital improvements to our aging properties. Maintenance expenses were greater than anticipated because of unexpected repairs and replacements. Contractors and vendors increased their prices to compensate for higher fuel costs.

Utilities were \$64,000 higher than anticipated. In 2004, Keene Housing Authority entered into an energy services agreement. The savings in utility costs were calculated to be \$73,000 per year. To date, we have not seen any savings in electricity use. The savings were anticipated to cover the annual lease expense of \$57,000. We have been working diligently with the energy savings provider to determine why there has been no decrease in kWh usage.

OPERATING RESERVES

Replacement Reserve accounts have been depleted over time because of funding cuts. With the increase in Operating Funds under the new calculation method, we have established a Replacement Reserve with an initial deposit of \$10,000.

Capital Planning

CAPITAL FUNDS			
Development	Description of Work	Budget	Actual
NH10-1,2	Repair Exterior Brick	\$8,900	\$0
NH10-1,2	Painting & Cleaning	\$0	\$9,000
NH10-1,2	Repair Fire Alarms	\$0	\$2,673
NH10-1,2	Replace Flooring	\$0	\$3,332
NH10-3	Repair/Replace Steps & Railings	\$4,500	\$0
NH10-3	Repair/Replace Bulkheads	\$3,500	\$0
NH10-3	Paving & Curbs	\$29,487	\$0
NH10-3	Repair/Replace Cabinet Doors	\$4,500	\$0
NH10-3	Repair/Replace Roof Drains	\$3,800	\$0
NH10-3	Foundation Repairs	\$67,900	\$0
NH10-3	Painting & Cleaning	\$0	\$29,900
NH10-3	Repair/Replace Outside Lighting	\$0	\$1,475
NH10-3	Topographic Survey	\$0	\$3,156
NH10-3	Replace Fence	\$0	\$3,700
NH10-3	Replace Flooring	\$0	\$3,164
NH10-5,6	Repair/Replace Windows, Doors & Showers	\$4,837	\$11,900
NH10-5,6	Painting & Cleaning	\$0	\$5,500
NH10-5,6	Replace Flooring	\$0	\$3,621
NH10-9,10	Painting & Cleaning	\$0	\$6,500
NH10-9,10	Repair Fire Alarm	\$0	\$573
HA Wide	Operations/Admin	\$144,576	\$132,662
HA Wide	Energy Lease	\$57,000	\$57,000
HA Wide	Computer Equipment & Projectors	\$0	\$16,883
		\$329,000	\$291,039

Planned Versus Actual Expenditures

Many of the capital improvements included in the original budget were postponed this year. We utilized capital funds to paint, clean, and replace flooring. We updated fire alarms as needed. We engaged an engineer to complete a topographic study regarding a potential drainage problem at one of our family properties. We installed new fences and exterior lighting at some family sites. A major renovation of the bathroom at one of our scattered sites was completed. The new bathroom now contains a roll in shower to accommodate a wheelchair. We purchased projectors to enhance the presentation of required programs for Resident Self Reliance participation and education. We managed to make critical repairs and upgrades despite the fact that our 2006 capital funding decreased by almost \$38,000.

Security

The Keene Housing Authority's developments are provided the same level of public security and protection as the surrounding neighborhoods and the community at large. There has been a slight rise in crimes and drug-related crimes in the City of Keene. Crimes that are typically reported include domestic disputes, robbery, and vandalism. A local security firm has been hired to patrol the public housing family sites a couple of nights a week to address reports of problems at family sites. It is the hope of staff that it will deter any possible crime and create a greater feeling of safety among residents.

The Keene Housing Authority maintains basic records documenting the nature and extent of security and crime problems that occur within the public housing communities. This information is supplied by the local police department. On a regular basis the Police Department sends a report of all calls for service made to Keene Housing Authority owned and managed properties. When the information is received, the Property Managers follow-up with appropriate action to address the problem.

Incidences occurring in public spaces and common areas are generally reported to the Keene Police Department for their action. The Police Department advises the Housing Authority when illegal activities involve residents. Police records involving Housing Authority residents are made available upon request. The Keene Police Department has expressed their support to cooperate and partner with the Housing Authority on strategies for ensuring the continued safety and security of residents and preventing drug/crime activity from occurring in and around Housing Authority properties. Police have attended community meetings at Public Housing developments to educate residents and assist them in dealing with community problems.

The Keene Housing Authority is currently involved in the following safety and crime prevention activities:

- Tracking crime and crime-related problems and reporting incidents of criminal activity to the Keene Police department.
- Maintaining a system for cooperating with the Keene Police Department in tracking crime and crime-related problems.
- Adopting and implementing procedures that screen out and deny admission to specific applicants.
- Admission is denied to applicants who have a recent history of criminal activity involving crimes to persons or property and/or other criminal acts that would adversely affect the health, safety, or welfare of other residents or Housing Authority staff.
- Admission is denied to applicants, who were evicted, because of drug-related criminal activity for a minimum of a three-year period beginning on the date of such eviction, unless the applicant has successfully completed, since the eviction, a rehabilitation program approved by the Housing Authority.
- Admission is denied if the Keene Housing Authority has reasonable cause to believe the applicant is illegally using a controlled substance.
- Admission is denied if the Keene Housing Authority has reasonable cause to believe an applicant abuses alcohol in a way that causes behavior that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents or Housing Authority staff.
- Adopting and implementing lease enforcement policies and procedures that include eviction of any resident and/or family members or other occupants of the leaseholder's household who engages in any criminal activity that threatens the health, safety or right to peaceful enjoyment of the premises by other residents or Housing Authority staff; engages in drug-related criminal activity; abuses alcohol in a way that causes behavior that may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents or Housing Authority staff.

Leasing Information

Target Lease-ups for Housing Assistance Coupon Program (HAC)

Keene Housing Authority's total MTW allocation for vouchers is 358. The number of lease-ups at the end of 2006 was 392, 34 more lease-ups than the 358 allocated to Keene.

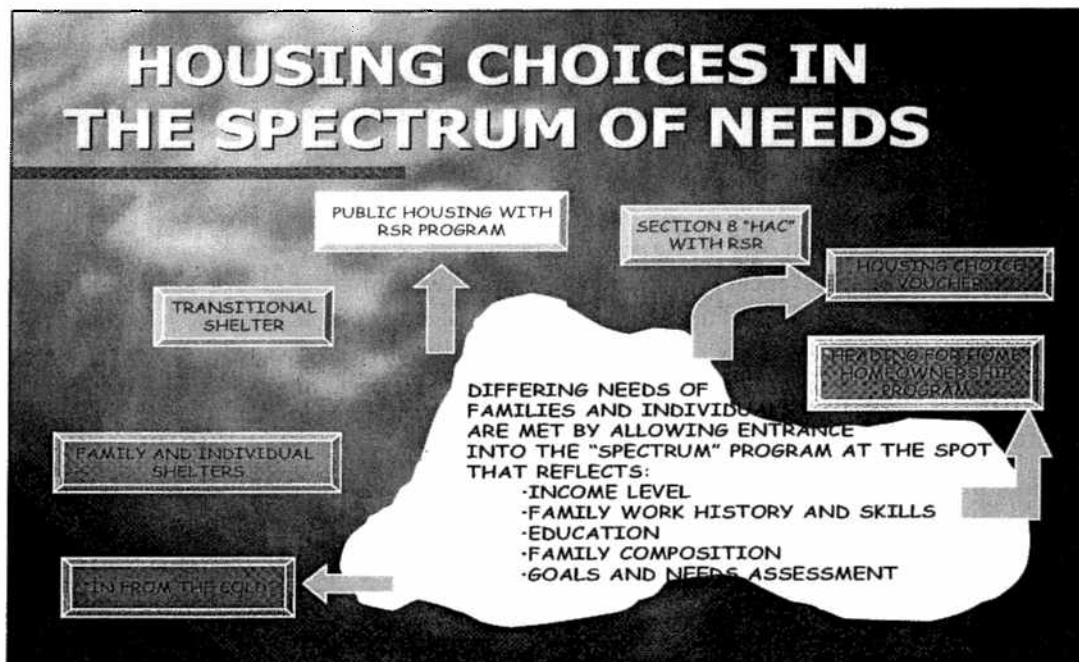
Rent Reasonableness

KHA provides training to new participants to determine if the rent for a unit is reasonable. Participants are trained to address location, quality, size, number of bedrooms, age, amenities, housing services, maintenance and utilities of comparable units. Additionally participants are trained in negotiating rents and rent increases. The KHA inspector maintains information on rent reasonableness in Keene and this information is used in the Housing Assistance Coupon program.

Increased Housing Options

Housing opportunities have been expanded under the Spectrum MTW program due to the following strategies:

- The 40% income exemptions allows for increased housing options for participants.
- Income eligibility up to 80% achieves a greater income mix of families.
- Collaborations with local shelter program and the creation of the Heading for Home Homeownership program increase the spectrum of housing options figure below
- Development of LIHTC programs will provide additional housing choices in 2006 for applicants on Keene Housing Authority waiting lists.
- Collaboration with local agencies such as shelter and Mental Health agencies.



Deconcentration Policy

The Keene Housing Authority monitors the characteristics of households served to make sure there isn't a large concentration of incomes in a specific geographic area. The Keene Housing Authority, after analyzing Census data for the City of Keene, has applied that analysis to the public housing developments owned and operated by the KHA. Due to the fact that there is but a single census tract for the City of Keene, and due to the small size of the KHA public housing family developments, (each of which is less than 50 units), the Board of Commissioners for the Keene Housing Authority determines that there is no need for a Deconcentration Plan for KHA operations.

Inspection Strategy

The Keene Housing Authority employs several types of inspection strategies to ensure all subsidized apartments meet HQS in addition to extensive education programs for both the participant and the landlord.

Keene Housing Authority conducts inspections for all HCV participants as noted in the chart below.

HCV Planned Inspections Completed	Target Percentage Completed	Actual Percentage Completed
Annual HQS Inspections	100%	100%
Pre-Contract HQS Inspections	100%	100%
HQS Quality Control Inspections	100%	100%

Twenty-six percent of inspections for participants in the Housing Assistance Coupon Program (HAC) are conducted by the landlord. In the HAC Program the landlord has the option of self-certifying that the unit meets HQS or they can request the Keene Housing Authority conduct the inspection. Some landlords prefer the Keene Housing Authority conduct the inspection because they regard it as a beneficial service of the HAC program.

Every year, 5% of all units self-inspected by landlords receive a quality control inspection conducted by KHA. If the owner fails to maintain the dwelling unit in accordance with HQS, the Keene Housing Authority will take prompt and vigorous action to enforce the owner obligations. The Keene Housing Authority's remedies for such breach of the HQS include termination, suspension, or reduction of housing assistance payments and termination of the HAP contract.

The Keene Housing Authority will not make any housing assistance payments for a dwelling unit that fails to meet the HQS, unless the owner corrects the defect within the period specified by the Keene Housing Authority and the Keene Housing Authority verifies the correction. If a defect is life threatening, the owner must correct the defect within no more than 24 hours. For other defects, the owner must correct the defect within no more than 30 calendar days (or any Keene Housing Authority approved extension).

Interim inspections are conducted by KHA if requested by the participant, landlord or KHA.

During the issuance of Housing Assistance Coupons a KHA staff member provides a detailed explanation of Housing Quality Standards (HQS) utilizing the following materials:

- A Good Place to Live;

- Inspection Form for the Housing Choice Voucher Program;
- Protect Your Family from Lead in Your Home;
- KHA checklist and
- Participant's responsibility for ensuring that their rental unit meets

Landlord Education and Participation

Landlords are encouraged to contact KHA with any questions they may have about the HQS. Some landlords who conduct the initial inspection request that the annual inspection be conducted by KHA and vice versa. Some landlords have a standing request that KHA conduct all initial and annual inspections. The owner must maintain the unit in accordance with HQS.

The owner is not responsible for a breach of the HQS that is not caused by the owner, and for which the family is responsible. Furthermore, the Keene Housing Authority may terminate assistance to a family because of the HQS breach caused by the family.

Family Education and Participation in HQS

The Housing Assistance Coupon programs (HAC) is designed to educate the residents so they are empowered to make informed decisions when searching for or living in an apartment. Due to this education, they are able to determine first hand if there are issues that need to be addressed to make sure the unit continuously meets HQS. Keene Housing Authority employees inquire about and discuss HQS during quarterly meetings and monthly contacts. Participants are also asked during the Annual Review, about HQS and staff briefly review the HQS. Participants are also asked to complete an inspection form demonstrating they have assessed the condition of their apartment and whether or not it meets HQS.

The family is responsible for a breach of the HQS that is caused by any of the following:

- The family fails to pay for any utilities which are the tenant's responsibility
- The family fails to provide and maintain any appliances that the owner is not required to provide, but which are to be provided by the tenant; or
- Any member of the household or a guest damages the dwelling unit or premises (damage beyond ordinary wear and tear).

If an HQS breach caused by the family is life threatening, the family must correct the defect within no more than 24 hours. For other family-caused defects, the family must correct the defect within no more than 30 calendar days (or any Keene Housing Authority approved extension).

If the family has caused a breach of the HQS, the Keene Housing Authority will take prompt and vigorous action to enforce the family obligations. The Keene Housing Authority may terminate assistance for the family in accordance with 24 CFR 982.552.

Resident Programs

The Keene Housing Authority coordinates and provides directly a number of services to enrich the quality of life and ability of residents to be self-reliant and live independently. Decrease in funding for services forced the Keene Housing Authority to eliminate a Resident Services Coordinator position in 2005. Previously there were 3 RSC's, one serving public housing residents and 2 serving Section 8 Housing Assistance Coupon (HAC's) participants. Despite the cuts, the Resident Self-Reliance program staff was able to streamline the delivery of services focusing on households during their first year in the program. Service requirements are gradually reduced as they progress through the program rather than work intensively with all program participants for the full five year program. Workshops have been

consolidated and are offered to RSR participants opening space for residents from other programs and local agencies as space, resources and time permits.

Resident Self-Reliance Program (RSR)

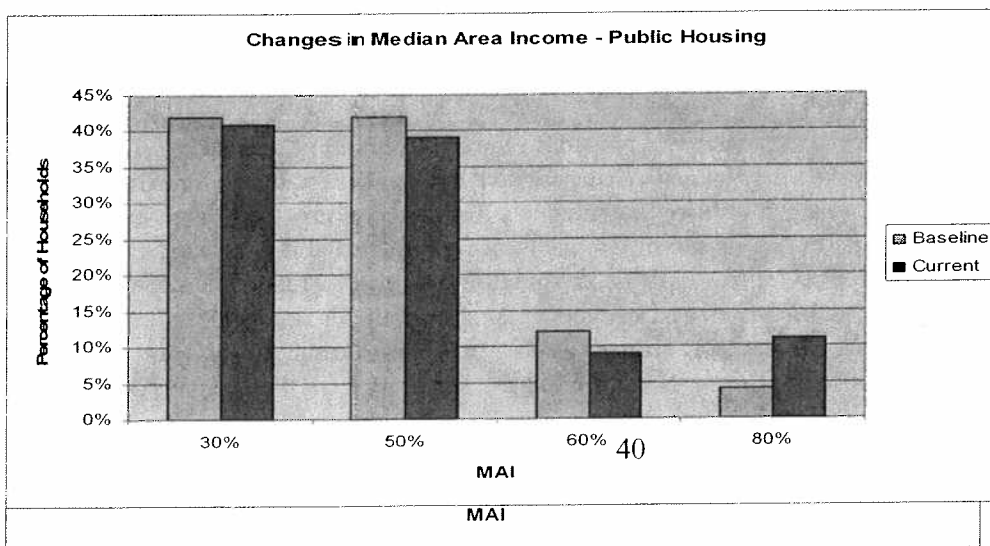
There are total of 150 families in the RSR program, 70 families are from the Public Housing program and 80 in the Section 8 HAC RSR program. A total of 442 families have been served in the RSR since it started as part of Spectrum in 1999. Of the 442 households served through RSR, 292 families have exited the program 12/31/2006.

The following charts summarize the status of active families at year end from 2004 through 2006 and compares it to the data of families when the program started. The chart reveals a considerably higher percentage of families in the \$30,000 and above range compared to the number in that range when the program started. A small percentage of that could be contributed to rises in wages but there has been little rise in the overall wages in the Mondanock region during this time frame. The chart on changes of Median Area Income for families active in the program in 2006 support this conclusion as there is a steady but small rise in the MAI of families. Until wages are more compatible with the true cost of living, it will be difficult for even the most ambitious families working in service or retail to become self-sufficient. The self-sufficiency programs cannot increase the wages for residents; this is an issue for local and national public policy makers to address.

Changes in Income				
	Baseline 1999	2004 Combined	2005 Combined	2006 Combined
No income	8%	0%	2%	0%
\$1 - \$9,999	23%	13%	13%	14%
\$10 - \$19,999	41%	24%	28%	24%
\$20 - \$29,000	26%	26%	27%	35%
\$30 and above	2%	23%	30%	27%
Total	100%	100%	100%	100%
# of Households	78	169	169	150

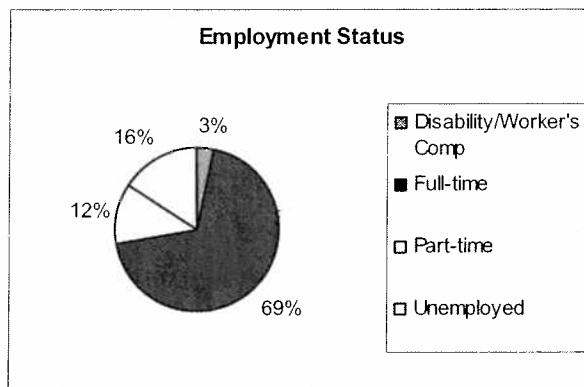
Changes in Area Median Income

The changes in MAI compares the baseline income to income as of 12/31/2006 for current participants.



The pie chart below shows the breakdown of employment for all Resident Self Reliance program participants at the end of 2006. The table below compares the changes in employment for participants at the start of the program in 2004, 2005 and 2006. The data illustrates there was a significant increase in employment when the RSR program started and the increase in employment has remained stable despite changes in the economy and employment rates over the past 7 years of the program. Full-time employment has significantly increased in families rising from 47% in 1999 to 69% in 2006. As of November 2006, the unemployment rate in Cheshire County was 3.1%. This rate has increased slightly since the program started in 1999 when the unemployment rate was around 2.5%.

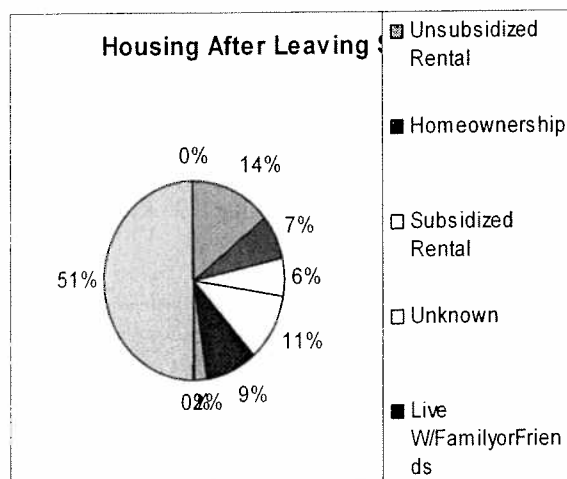
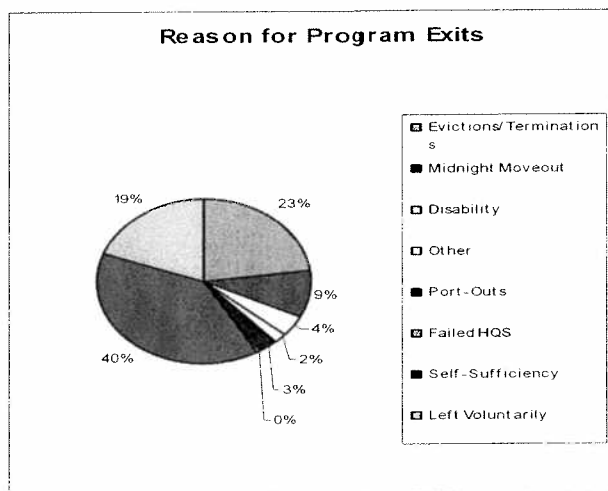
Employment Status



Changes in Employment				
	Baseline 1999	2004	2005	2006
Employed Full Time	47%	65%	67%	69%
Employed Part Time	19%	17%	16%	12%
Unemployed	32%	15%	14%	16%
On Disability/Worker's Comp	1%	3%	3%	3%
Total	100%	100%	100%	100%
Number of households	78	182	169	

Rent Burden for Families Exiting Spectrum

The Rent burden for people exiting the program also remains relatively low with a majority of households, 55%, having a rent burden of 30% and under. Ten percent of the households have a rent burden between 30 and 40%. The remaining households, 35% have a rent burden over 40%. This is relatively high and the Keene Housing Authority is examining the causes and developing an action plan to address this issue in 2007. The figures below shows the reasons people left the MTW program, their changes in income when they entered and exited the program, and the type of housing they were transitioning to after Spectrum. Most people who exit the Spectrum program move on to rent in the private market or homeownership after improving their financial status as shown in the chart below titled *Reason for Program Exits*.

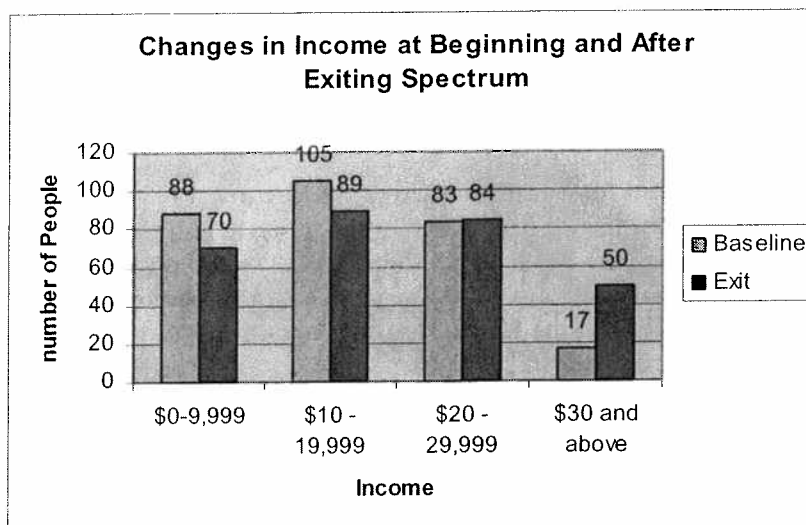


A significant number of program exits, 23%, are a result of program terminations and evictions. This is due mostly in part to evictions on the public housing side for both non-payment of rent and lease violations. Over the past two years KHA has increased the enforcement of its lease to reduce damage to the unit, improve the safety and quality of life within the neighborhoods and reduce rent revenue loss. This has resulted in what KHA believes to be a temporary spike in evictions. Most new tenants who have moved into public housing are following the terms of their lease. In the words of one tenant, "KHA must have changed our screening procedures," because it is "a lot quieter in the neighborhood now."

Over the past 7 years the Spectrum program has been in operation, 7 % of the participants have moved on to homeownership. The Keene Housing Authority's Heading for Home program (H4H) was implemented until the end of 2005. It is the goal of the KHA to significantly increase the number of people moving into homeownership to a minimum of 10 a year.

There are families who have been evicted from the program for lease violation issues and non-payment of rent. Before any family is evicted the Property Manager and Resident Service Coordinator work with the family to help them overcome obstacles that threaten their continued tenancy such as paying outstanding balances or complying with the terms of their lease. Families who have a high rent burden or trouble

paying their rent are often assisted in Safety Net but if they fail to meet their terms of the agreement, such as working the required hours to receive a rental credit or following the terms of their payment arrangement, the Keene Housing Authority may proceed with eviction.



RSR Waiver

In 2005, the RSR waiver was implemented for those who have achieved all of their required competencies which waives certain RSR activities meeting with their RSC annually to review progress toward their goals. We anticipate a majority of families who qualify for this waiver will move into the Homeownership program but not all.

In order to receive the waiver, the household must present a portfolio that demonstrates how they have achieved the required competencies and the progress they have made on their goals. This process provides recognition for families for their accomplishments in the program. The skills they learn in creating and presenting the portfolio also helps them gain valuable public speaking and presentation skills valuable in the workplace. To date, 15 families have qualified for the waiver.

Quarterly Goal Meetings and Other RSR Program Revisions for 2006

There have been several changes to the RSR program including more one on one intensive case management during the first year of the program followed by participation in quarterly goal meetings following either the employment or financial track. Participants may attend all or one of the 6 quarterly goal meetings offered every quarter but they must attend a minimum of one every quarter to remain in compliance with the program.

All first year participants are required to participate in the following workshops in addition to attending individual coaching sessions each quarter. Program descriptions are listed below.

Keene Housing Authority Quarterly Goal Meeting and Workshop Topics**Developing Your Financial Plan**

Your financial plan helps you to manage your money effectively. Developing and maintaining your financial plan is a required activity in the Resident Self-Reliance Program (although this workshop is open to everyone). This program is designed to explain the tools necessary to develop and maintain your financial plan. By the end of the workshop, participants will be able to: Fill out income and expense forms, Fill out a net worth statement, Implement your budget, Understand relationships between different financial planning tools. You'll also learn to simplify and organize the payment of bills. Discover the advantages of paying your bills on time and the impact paying bills late have on our financial stability. Learn the importance of a good credit score and why it matters. You will learn tips on being proactive, mail management and filing systems.

Goal Setting at a Glance

Participants learn the benefits of setting goals and how to name a "SMART" one. They are given tools like "mind-mapping" to help them map out their goals and how they will achieve them.

Quarterly Goal Meetings

Two Tracks, employment and Finance, are offered every quarter. Within each Track there are three groups from beginner to advance skill level from which participants can elect to attend. Each of the groups is offered twice every quarter for a total of 12 meetings every quarter. Agendas are based on need identified from data collected from families in the program and their ideas.

Employment Track Meetings in 2006**Track A Career and Life Planning**

1. Exploring Barriers to Employment
2. Interviewing, Resumes and the Job Hunt

3. Finding the job

Track B Surviving the Job

1. Managing Time with Family and Work
2. Being Successful at My Job
3. Why Work?

Track C Management and Advancement

1. Do I Have What it Takes?
2. Creating a Portfolio
3. Management: Who Are They and What Do They Want?

Financial Track Meetings 2006

Track A Financial Management

1. Money Smart: Money Matters
2. Money Smart: All About Banking
3. Making Money Work for You: Living Within Your Means

Track B Credit and Debt Management

1. Making Money Work for You: Credit and Debt Management
2. Money Smart: Credit Reports and Credit Cards
3. Money Smart: To Your Credit

Track C Homeownership and Long Term Financial Planning

1. Money Smart: Your Own Home
2. Preparing for Homeownership: How Much Can You Afford?
3. Money Smart: Pay Yourself First

Homeownership

There are 2 homeownership programs offered by the Keene Housing Authority. The Heading for Home Program (H4H) offers eligible participants the option of buying a home with mortgage payment assistance through the Section 8 Housing Assistance Coupon (HAC). Eligible applicants for H4H must be eligible for a HAC. Current Keene Housing Authority residents or HAC participants will receive a preference for the H4H HAC. H4H participants will also be required to participate in a Homeownership program facilitated by Cheshire Housing Trust, a HUD approved homeownership counseling agency.

Keene Housing Authority was also awarded the Public Housing Supportive Services Homeownership grant starting in fiscal year 2006. This program provides funding to expand homeownership counseling services to RSR Public Housing families with the specific goal of moving at least 10 families into homeownership each year. This is an extremely ambitious goal given the size of the Keene Housing Authority and the very tight and expensive local market. In 2006 4 public housing families achieved homeownership, 2 using KHA's Heading for Home program. To date, a total of 5 households are enrolled in the Heading for Home program.

Homeownership Programs Information Sessions

The homeownership program of the Keene Housing Authority (KHA), known as the "Heading for Home Program" (H4H) offers eligible participants in the HAC or HCV programs the option of buying

a home with mortgage payment assistance. The Keene Housing Authority also offers homeownership supportive services programs to public housing residents through a 3 year ROSS grant received from HUD in 2006. These programs as well as the homeownership Seminars and IDA accounts offered by Cheshire Housing Trust, an affiliate of the Keene Housing Authority, are reviewed for interested participants and the public wishing to learn more about programs available to help them achieve homeownership.

Annual Camp Fair

The annual camp fair brings camp staff from all over New Hampshire (and neighboring states) and families together. Youth and their parents are able to talk directly with camp staff, sharing questions and concerns, and ensuring that camp programs will fit their needs. Camp staff is available to help families fill out registration paperwork and scholarship applications.

Building Bridges Youth Program

The BUILDING BRIDGES program uses several strategies to influence youth development, family and community to prevent juvenile delinquency. In 2006, 107 youth were served by the program.

The program is offered to all family residents living in public housing operated by the Keene Housing Authority at both Forest View and North Street housing communities. There is a Family Activity Center at each community from which the program operates. The center has been the hub of the community, attracting and encouraging positive interaction with all youth, adults and staff. Program components include:

- Case management services for youth and their families
- Daily after-school and summer program for youth ages 5 through 10 (open to all youth up to age 18)
- Life skill workshops for teens and adults
- Community events and improvement projects



Case Management

All families that move to either Forest View or North Street are automatically referred to the Building Bridges Youth Services programs by Keene Housing Authority staff. The Building Bridges program is integrated with the Resident Self-Reliance program for adults so all members of the family are served. After a family has signed the lease they are required to participate in the RSR assessment that identifies the family's assets and risk factors associated with the following categories:

- | | |
|---------------------------------|------------------------|
| • Employment | • Wellness |
| • Financial management | • Household management |
| • Parenting and Family Planning | • Interpersonal skills |
| • Education | |

The family then creates a plan to develop their skills to achieve competency in each of these areas for a five year period. The plans outline specific steps they must take within a given quarter to make progress in achieving the competencies. The plan includes required skill development activities they must

complete in order to achieve a competency. Adults participate in group quarterly goal meetings to discuss and problem-solve ways to overcome obstacles in meeting their goals. Participants benefit not only from the facilitation and knowledge of the Resident Service Coordinator but they also benefit from their peers. Participants are likely to listen to others who are experiencing similar situations, offer advice and support and gain self-confidence when they have the opportunity to share an idea, offer advice or help someone problem solve and find themselves in an 'expert' role.

Youth participate in a similar process. They are interviewed by staff and a youth development plan is formulated with their parent's that lists activities the parents, youth and children can do to support the plan. The assessment reviews risk and protective factors and a plan is created to reduce high risk factors associated with the individual youth and increase their protective factors. Progress on the plan is reviewed and revised quarterly with youth, parents and staff.

Daily After-School Program

Homework Lab runs daily for 1 ½ hours providing youth with tutoring assistance and academic enrichment programs. As a result, there has been an overall improvement in the grades of youth attending the program in the past three years. Keene Housing Authority Youth Service Coordinators have developed strong partnerships with the local schools including Franklin, Fuller and Keene Middle School. Staff attends lunches with students at school and as needed meetings with teachers and guidance counselors. Schools provide copies of youth report cards and share weekly homework assignments with staff. Teachers have visited the sites to tutor individual students and provide staff with tools to assist youth with their academics.

Daily activities reflect current risks and needs of the youth in the program. The program's main focus is to serve youth ages 5 through 10 but youth up to age 18 may participate. Many teens are able to participate as volunteers, in the program. Middle school age youth are referred to the local MANY Options program by staff; all fees are paid by Keene Housing Authority.

Life Skills Workshops - Workshops are offered for all teens and adults in all of the competency areas. They are offered throughout the year and include GED classes, computer training, employment retention, household management, financial management and parenting. Parenting workshops are required for parents with high family risk factors such as inconsistent rules at home, abuse, or violence. Workshops offered encourage parent teacher conferences and build the ability of parents to communicate effectively with schools on behalf of their children. Teachers and KHA staff facilitate the workshop at the Family Activity Centers.

Community Coordination, Events, and Education

BUILDING BRIDGES Youth Services Program seeks to build community connections by offering events that encourage positive interactions and build a sense of ownership and responsibility. Youth coordinate community service events focusing on their neighborhood such as community beautification projects, cooking and delivering meals for families, participating in Kick Butts Day or hosting games for nearby elderly residents. All adult and youth residents have the opportunity to participate on the Residents Council and plan events with the support of staff such as the annual Easter egg hunt. The Family Activity Center hosts family events, and meals at the activity center are cooked and prepared by youth and parent volunteers.

Keene Mentoring Alliance

Clubhouse youth program continues to maintain and strengthen alliance with *Big Brothers Big Sisters of Monadnock Region* and *Monadnock Volunteer Center (MVC)*. Youth Service Coordinators

meet regularly to discuss youth and programs and to facilitate new matches. The site-based program in which "Bigs" have meeting times with "Littles" continues during after-school program hours so youth have special one-on-one times.

Academic Achievement: Daily homework labs facilitate academic assistance and encourage youth to complete their school assignments in an organized and efficient fashion; thereby developing positive and productive attitudes towards education.



Volunteers from Keene State College help facilitate daily homework labs.

Wellness and Healthy Choices: Throughout the year, youth are offered a variety of physical activities and nutrition classes. We have added a new and exciting Kids Fitness Class at the Keene YMCA thanks to a generous grant from PlusTime NH.



Kristen tries out the climbing wall during a Kids Fitness class.



Peter, the Activities Director at the YMCA reviews safety procedures with us.



Learning how to make healthy snacks is fun!!

Social Skill Development: Enabling youth to interact appropriately with peers, adults, and even animals are important skills. Positive behavior is rewarded and praised while negative behavior is constructively and kindly corrected.



Sarah enjoys the afternoon.



Dakota interacts with our volunteers.



Playing a boardgame together.

Artistic Expression: We continue to express ourselves through artistic projects including drawing, painting, sculpting with clay, and a recent Leggo* contest!



Emma shows off her creation



The group paints and shares supplies.



Younger participants learn about colors.

Community Involvement and Events: Our youth love to get out into the community and help out, learn new things, and just enjoy what Keene has to offer. But we also facilitate events in our own KHA community. This quarter we held our first annual clothes drive giveaway which provided over 400 items of warm winter clothing for our families.



Emily shows off her new dress while parents pick out new clothes for their families at our clothes drive.

Congregate Housing Services Program at Bennett Block and Harper Acres

The Congregate Housing Services Program (CHSP) is a non-medical supportive program offered at Harper Acres and Bennett Block in Keene the CHSP is often described as the first step away from fully independent living. The CHSP offers services that enable residents to live in individual apartments; the services help to avoid premature admission to a nursing home or assisted living facility. Specifications for the program meet standards set by HUD and the New Hampshire Department of Health and Human Services (DHHS). Funding for the program is provided by HUD, DHHS and a participant fee. Services of the CHSP include a noon meal seven days a week; services to assist with homemaking and a limited range of personal care assistance. Assistance with area transportation services is available and at Harper Acres transportation to the meal site located in a community building is available during the winter months. Case management is provided by the CHSP Service Coordinator.

Program reports are completed by the CHSP Service Coordinator and submitted to NH DHHS quarterly and to HUD semi-annually and annually. A measure of success is reflected in the results of the annual survey of CHSP residents completed in December and submitted with the DHHS report; the results are excellent. The survey had a return rate of 71% of those responding 100% felt the program supports their ability to live in an independent setting and 100% were satisfied with CHSP services. Some optional comments from the surveys:

"I see no way to improve this great program. Thanks for all the help I receive"
"I am improving every day since I moved. It is helping me to maintain my independence. Thank you very much for making this program available to me and others"
"I like the program very much"
"It is a very good program"
"I consider the Congregate program as part of my family"

Individualized care plans are developed by the CHSP Coordinator and reviewed by the PAC to ensure that services meet the needs of the resident. Care plans are updated at least yearly and more often if needed. Program admissions are the responsibility of a Professional Assessment Committee (PAC) the PAC meets monthly to review needs assessment of new CHSP applicants. Needs assessments are completed by the CHSP Service Coordinator and documentation by the applicant's physician is required. In addition to admissions PAC members offer consultation and suggestions to the CHSP Coordinator as needed. The current PAC remains the same as last year; consisting of five members; three registered nurses (one retired) and two social workers. The individual and collective wisdom and knowledge of the PAC is invaluable to the CHSP coordinator and program. The CHSP Coordinator has been with the program since 2001.

CHSP homemaking and personal care services are contracted through a local home healthcare agency that is fully licensed and accredited. Meals are prepared at a central site and are then transported in bulk under temperature control to the meal sites; meals are served home style. Residents like the hearty menus and also that the meal program supervisor listens and responds to suggestions. Meals provide at least one-third of the daily recommended dietary allowance for the older adult as established by the Food and Nutrition Board of the National Academy of Science.

Social opportunities occur on a regular basis including an annual picnic and holiday party; other social and educational opportunities such as visits from children in KHA's youth and after-school programs; musical entertainment; health topics and screenings and other topics of interest such as information

about Medicare Part D. Interaction with nutrition students from Keene State College continues providing a good source of health information and social interaction to residents who choose to participate. Age-in-Motion exercise programs a YMCA program that's geared for older adults is very popular. The social and educational programs at Harper Acres are available to all residents of the complex.

Interest in the CHSP program remains very good; apartment vacancies are filled quickly. Success in fulfilling the program goal of supporting independent living has resulted in lengthening the wait for CHSP vacancies. Currently twenty-six people are being served at Harper Acres and fourteen at the Bennett Block there are four people on the waitlists.

Congregate Housing Services Program - Services Provided (Information from the HUD Annual Reports)

Total Participants served: 43

- 1. Meals (Individual Units: 1 meal = 1 Unit) 10,606**
- 2. Housekeeping (1 Hour = 1 Unit) 2425**
- 3. Hours of Personal Care (1 Hour = 1 Unit) 146**
- 4. Units of Transportation (Unit = a one way trip) 190**
- 5. Units of Case Management (Unit = 1 Hour) 1,950**

Unmet need = CHSP waiting list: 4

Family Planning Collaborative

KHA and other social service and health care providers recognized that unintended pregnancies (which result in about half of the births in the United States) are a major threat to the health and financial well being of children and families. They are also responsible for enormous social service and health costs. These agencies formed the FPC to coordinate their education and case management efforts. With limited funding, the FPC:

- Keeps records of pregnancy intentions and other characteristics of women giving birth at Cheshire Medical Center (CMC)
- Provides education and support to social service providers to help them discuss family planning and birth control. Also provides educational materials.
- Coordinates efforts with Dartmouth Hitchcock and Planned Parenthood to provide birth control education.
- Provides free condoms in some social service restrooms.
- Provides birth control education at Keene's transitional housing programs and other sites.

Dental Health Works

Dental Health Works is a collaborative of several local non-profit agencies working together trying to meet the need for affordable dental care for families. Most families with extremely low to low incomes do not have dental insurance. This program allows a certain percentage of KHA residents to receive

free dental services. The dental practice also offers a sliding fee scale so residents who are not able to receive free services may receive a reduced rate based on their income.

